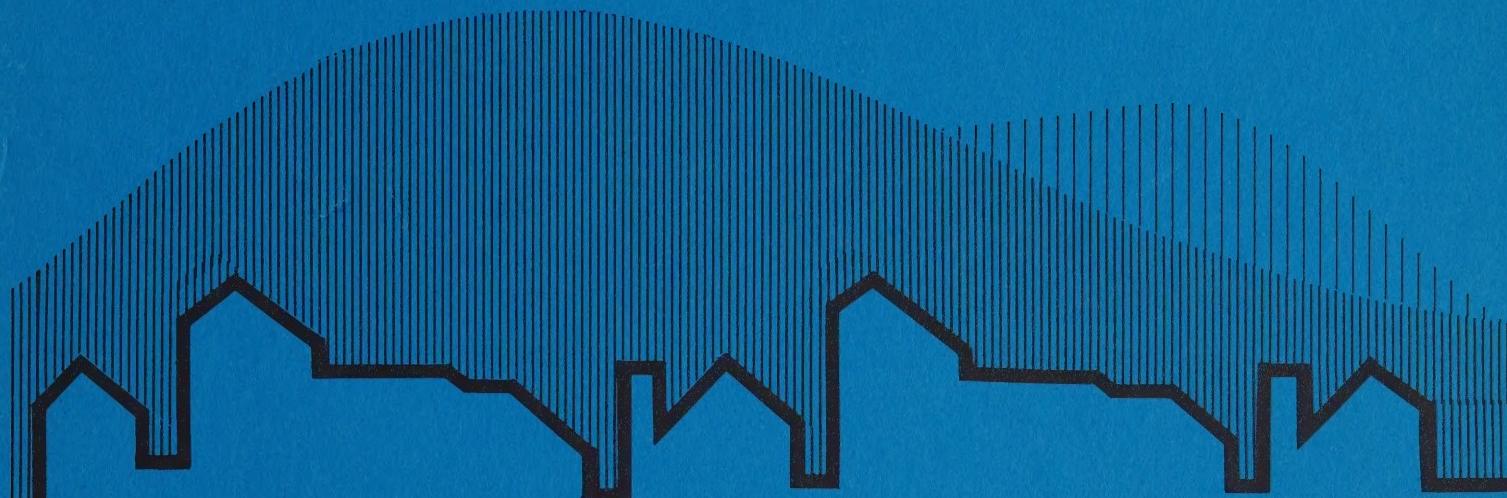


82 00676



# HOUSING ELEMENT

FEB.  
1978



Walden Creek

CALIFORNIA



82 00676

HOUSING ELEMENT  
OF THE  
WALNUT CREEK GENERAL PLAN

ADOPTED BY THE  
WALNUT CREEK CITY COUNCIL

FEBRUARY 1978  
RESOLUTION NO. 3674



HOUSING ELEMENT  
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# **WALNUT CREEK'S HOUSING PROGRAM**



# Housing Goals

## ADEQUATE PROVISION OF HOUSING

1. To provide all residents of the Walnut Creek Planning Area with decent, safe, and sanitary housing which they can afford.
2. To provide a range of housing types to meet the needs of all age groups and types of families within the Walnut Creek community.
3. To provide special types of housing for groups with particular needs, including the elderly and handicapped.
4. To provide a full range of residential densities compatible with existing development and responsive to the needs for housing within the Walnut Creek Planning Area.
5. To coordinate housing programs within the Planning Area with the activities of Contra Costa County, ABAG, and other state and federal agencies.

## HOUSING CONSERVATION

6. To maintain the quality and diversity of Walnut Creek's stable residential communities.
7. To upgrade deteriorating housing in viable residential neighborhoods and to prevent further deterioration.
8. To keep the existing housing supply within the financial means of Walnut Creek's residents.

## ACCESSIBILITY OF HOUSING

9. To assure that all persons, regardless of sex, age, family status, race, color, or creed have an equal opportunity to secure housing within the Walnut Creek Planning Area.

## CARRYING OUT THE HOUSING PROGRAM

10. To encourage citizen participation in planning and programming of housing policy and public improvements in the Walnut Creek Planning Area.
11. To develop and implement a housing action program to carry out the goals and policies of the adopted Housing Element.

# Priorities For Meeting Housing Needs

## 1. PEOPLE NOW LIVING IN WALNUT CREEK

The needs of people now living in the City of Walnut Creek should be given first priority in providing housing. Priority should go to existing residents as follows:

- A. Elderly residents (age 62 and older)
- B. Handicapped persons
- C. Single-parent families
- D. Young families, particularly those with small children
- E. Other families with low incomes

## 2. PEOPLE WORKING IN WALNUT CREEK

Second priority should go to providing housing in Walnut Creek so that those who work here can afford to live here (if they choose).

Within each group above, priority should go to:

- 1. Low income households: defined by HUD as households with incomes less than 50% of the County median. In 1975, this was \$7,500 for a family of four.
- 2. Moderate income households: defined by HUD as households with incomes less than 80% of the County median. In 1975, this was \$12,000 for a family of four.

# Adequate Provision Of Housing For All Income Groups

## Objectives

1. To recognize that provision of low- and moderate-income housing in Walnut Creek will require an active role on the part of the City and other public agencies.
2. To provide incentives and options to developers to encourage the provision of low- and moderate- income housing.
3. To fully utilize and protect existing lower-cost housing.
4. To accept Walnut Creek's responsibilities for providing low- and moderate-income housing for the citizens of the Walnut Creek community.

# Policies and Implementation Programs

1. TO ATTEMPT TO PROVIDE APPROPRIATE LAND FOR THE PROVISION OF LOWER COST HOUSING, THE CITY WILL DESIGNATE SITES FOR LOW- AND MODERATE-INCOME HOUSING. THE DESIGNATION OF THESE SITES WILL BE USED TO AID IN MAKING DECISIONS ON SPECIFIC PROPOSALS, TO HELP IN THE DEVELOPMENT OF THE CITY'S PLANS, AND TO PROVIDE FOR CONSIDERATION OF GENERAL PLAN CHANGES AND REZONING FOR DIFFERENT TYPES OF HOUSING WHEN NECESSARY AND APPROPRIATE.

## Implementation

- a. Designate sites for low- and moderate-income housing as indicated on map "Priority Sites for Low- and Moderate-Income Housing." In addition, other sites designated "multifamily" or "elective" on the General Plan will also be considered.
- b. Properties designated as sites for low- and moderate-income housing which are currently specified for multifamily use shall not have that use changed without a finding as to the inappropriateness of the particular site for multifamily development.
- c. Update inventory of sites as appropriate. Sites which are not currently designated "multifamily" or "elective" may be considered for a change in designation.

2. THE CITY WILL CONSIDER THE COST OF PROPOSED HOUSING IN ARRIVING AT RECOMMENDATIONS AND DECISIONS ON THE USE OF RESIDENTIAL LAND.

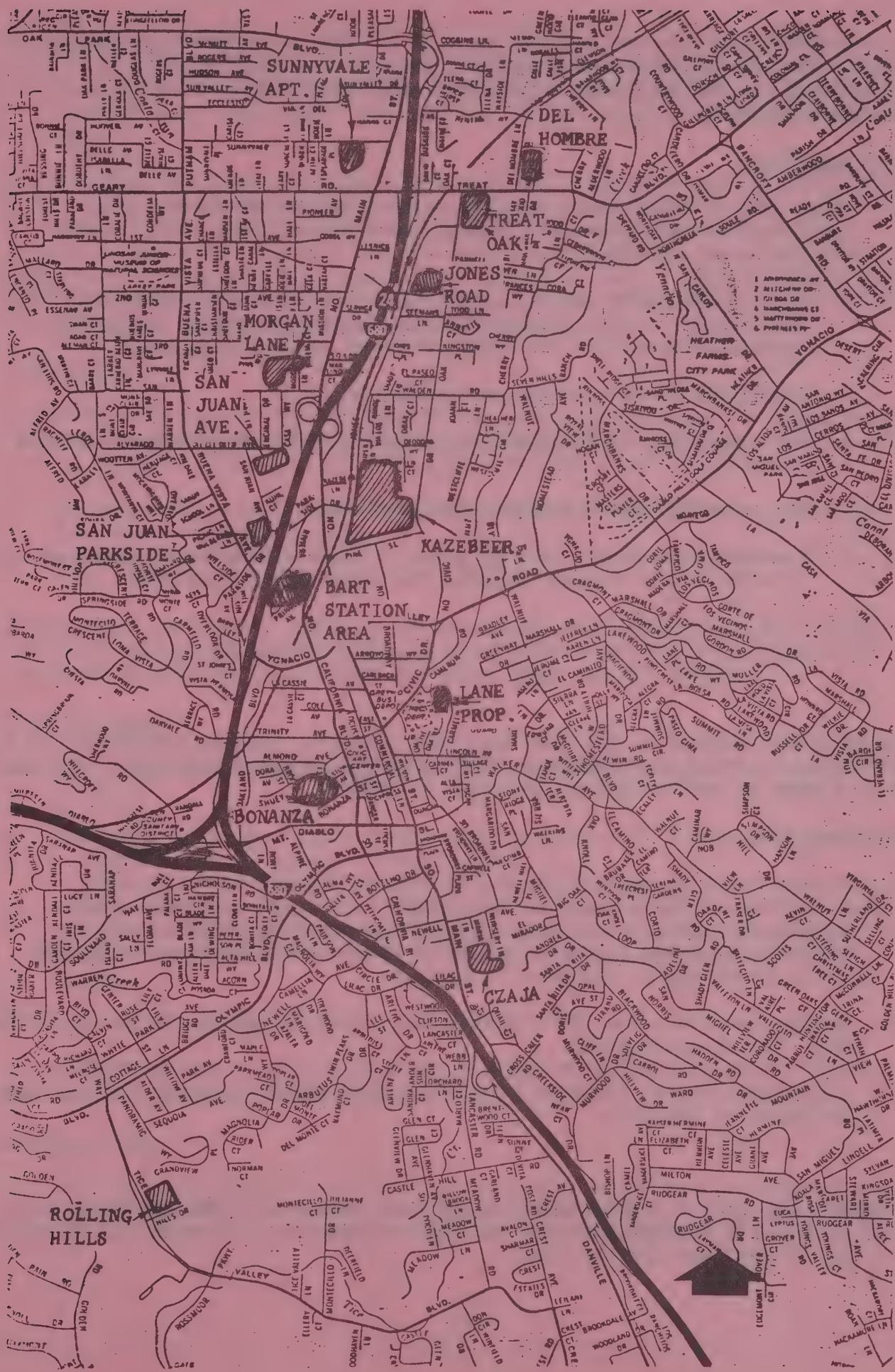
## Implementation

- a. Develop criteria for including consideration of housing cost in recommendations and decisions regarding General Plan and zoning changes.
3. TO FACILITATE DEVELOPMENT OF NEW LOW- AND MODERATE-INCOME HOUSING, THE CITY WILL ACTIVELY ASSIST DEVELOPERS/SPONSORS WHO WISH TO PROVIDE SUCH HOUSING.

## Implementation

- a. Assist developers/sponsors in site selection, utilizing priorities and rankings of sites for low- and moderate-income housing.
- b. Assist developers/sponsors in utilizing existing federal and state programs for constructing lower cost housing.
- c. In the case of developments that provide low- and moderate-income housing, the City will give first priority to processing of applications in order to address the problem of time delays and the increased costs that they entail.

PRIORITY SITES FOR  
LOW- AND MODERATE-INCOME HOUSING



4. TO PROVIDE INCENTIVES FOR THE CONSTRUCTION OF LOW- AND MODERATE-INCOME SENIOR CITIZEN AND HANDICAPPED HOUSING, THE CITY MAY GRANT BONUSES TO DEVELOPERS WHO INCLUDE LOWER COST SENIOR AND HANDICAPPED UNITS AS PART OF THEIR PROJECTS.

Implementation

- a. Adopt density bonus provisions for senior citizen and handicapped low- and moderate-income multi-family development which could contain the following provisions:
  1. Bonuses should be set at a level to allow for economically feasible development. Extra density over the maximum allowable should be considered when low- and moderate-income units are provided.
  2. Regulation of rent levels may be insured by:
    - a) requiring the developer to participate in the Section 8 Program; or
    - b) entering into a contract with the City.
  3. Consideration should also be given to other alternative incentives or bonuses such as height, parking, and development standards.
5. TO ENCOURAGE HOUSING IN THE CORE AREA, THE CITY WILL PROVIDE INCENTIVES FOR A MIX OF RESIDENTIAL AND COMMERCIAL DEVELOPMENT IN ELECTIVE USE AREAS. A SIGNIFICANT NUMBER OF THE HOUSING UNITS SHOULD BE RENTALS.

Implementation

- a. Develop elective use area zoning to provide incentives for housing. Incentives could include limiting height to less than maximum unless housing is provided; allowing only minimum density unless housing is provided; allowing increases (bonuses) over the maximum density if low- and moderate-income housing is provided.
- b. Develop specific plans for elective use areas, as called for in the General Plan, to include housing.
- c. Investigate other locations in the Core Area where residential-commercial mix might be feasible.
6. TO LOWER THE COST OF DEVELOPMENT FOR LOW- AND MODERATE-INCOME SENIOR CITIZEN AND HANDICAPPED HOUSING, THE CITY MAY COMMIT FINANCIAL RESOURCES WHEN FEASIBLE TO "WRITE DOWN" THE COST OF LAND.

### Implementation

- a. Consider allocating Community Development Block Grant funds to acquire property and "write down" its cost for the development of senior citizen housing.
  - b. If necessary, place the issue of lower-cost housing on the ballot in order to comply with Article 34 of the State Constitution.
7. TO PROVIDE NEW SITES FOR LOW- AND MODERATE-INCOME HOUSING, THE CITY MAY USE THE REDEVELOPMENT PROCESS, WHEN FEASIBLE, TO ASSEMBLE PARCELS INTO DEVELOPABLE SITES, TO "WRITE DOWN" THE COST OF LAND WITH TAX INCREMENT FUNDS, AND TO ASSIST IN THE DEVELOPMENT OF LOW- AND MODERATE-INCOME HOUSING.

### Implementation

- a. Review the feasibility of redeveloping the Bonanza Street and other areas, including assembling parcels for low- and moderate-income housing. Explore the use of tax-increment funds to "write-down" the cost of the land.
  - b. Explore other possible redevelopment projects which could include lower- and moderate-income housing.
8. TO MAKE FULL USE OF THE EXISTING STOCK FOR LOW- AND MODERATE-INCOME HOUSING, THE CITY WILL ENCOURAGE PARTICIPATION IN SECTION 8 OF THE 1974 HOUSING AND COMMUNITY DEVELOPMENT ACT AND/OR ANY OTHER LEASE SUBSIDY PROGRAM.

### Implementation

- a. Provide apartment owners and managers with information on the Section 8 program.
  - b. Work with the Contra Costa County Housing Authority to make full use of the Section 8 Program in Walnut Creek.
  - c. Consider using Community Development Block Grant funds to support organizations such as the Housing Alliance of Contra Costa County and other groups engaged in providing information and counseling on the Section 8 Program.
9. TO ALLEViate PROBLEMS ARISING FROM THE CONVERSION OF EXISTING RENTAL UNITS, THE CITY MAY REGULATE CONDOMINIUM CONVERSION.

### Implementation

- a. Consider amendments to the existing ordinance regulating condominium conversions, especially with regard to the problems of existing tenants and defining the extent to which conversions will be permitted in Walnut Creek.

10. TO PREVENT THE LOSS OF EXISTING LOWER-COST HOUSING, THE CITY WILL UNDERTAKE HOUSING CONSERVATION EFFORTS. (SEE CHAPTER IV)
  
11. TO PROVIDE LOW- AND MODERATE-INCOME HOUSING FOR THE CITIZENS OF THE WALNUT CREEK COMMUNITY, THE CITY WILL COOPERATE WITH OTHER REGIONAL, STATE, AND FEDERAL AGENCIES TO FULLY UTILIZE ALL AVAILABLE PROGRAMS.

Implementation

- a. Prepare an Annual Housing Assistance Plan (HAP), as required by the Community Development Block Grant Program, to establish specific goals for constructing new assisted housing, subsidizing existing rental housing, and providing rehabilitation assistance. Also required is a documentation of the housing assistance needs of low- and moderate-income households, including elderly, handicapped, minority, and female-headed households.
- b. Work with ABAG to incorporate Walnut Creek's goals into the region's Fair Share Allocation Plan.
- c. Work with the County Housing Authority to implement the Section 8 Existing Program.
- d. Work with HUD to encourage funding of Section 8 new construction units in Walnut Creek.

# Housing Conservation

## Objectives

1. To develop comprehensive efforts for conserving Walnut Creek's housing stock.
2. To encourage measures to maintain Walnut Creek's housing stock in its generally good condition, thereby preventing deterioration in the future.
3. To provide safe apartment units for the City's renters.

# Policies and Implementation Programs

1. TO MAXIMIZE ITS HOUSING CONSERVATION EFFORTS, THE CITY WILL DESIGNATE HOUSING CONSERVATION AREAS WHERE EFFORTS WILL BE CONCENTRATED TO MAINTAIN NEIGHBORHOODS AND PREVENT DECLINE.

## Implementation

- a. Designate Housing Conservation Areas as follows:

1. North Walnut Creek Area
2. Almond-Shuey Area
3. Alma Avenue Area

- b. To coordinate the planning and funding of public improvements with conservation efforts, the City will consider the needs of the housing conservation areas when allocating City capital improvement funds. Community Development Block Grant funds and other funds for local improvements.

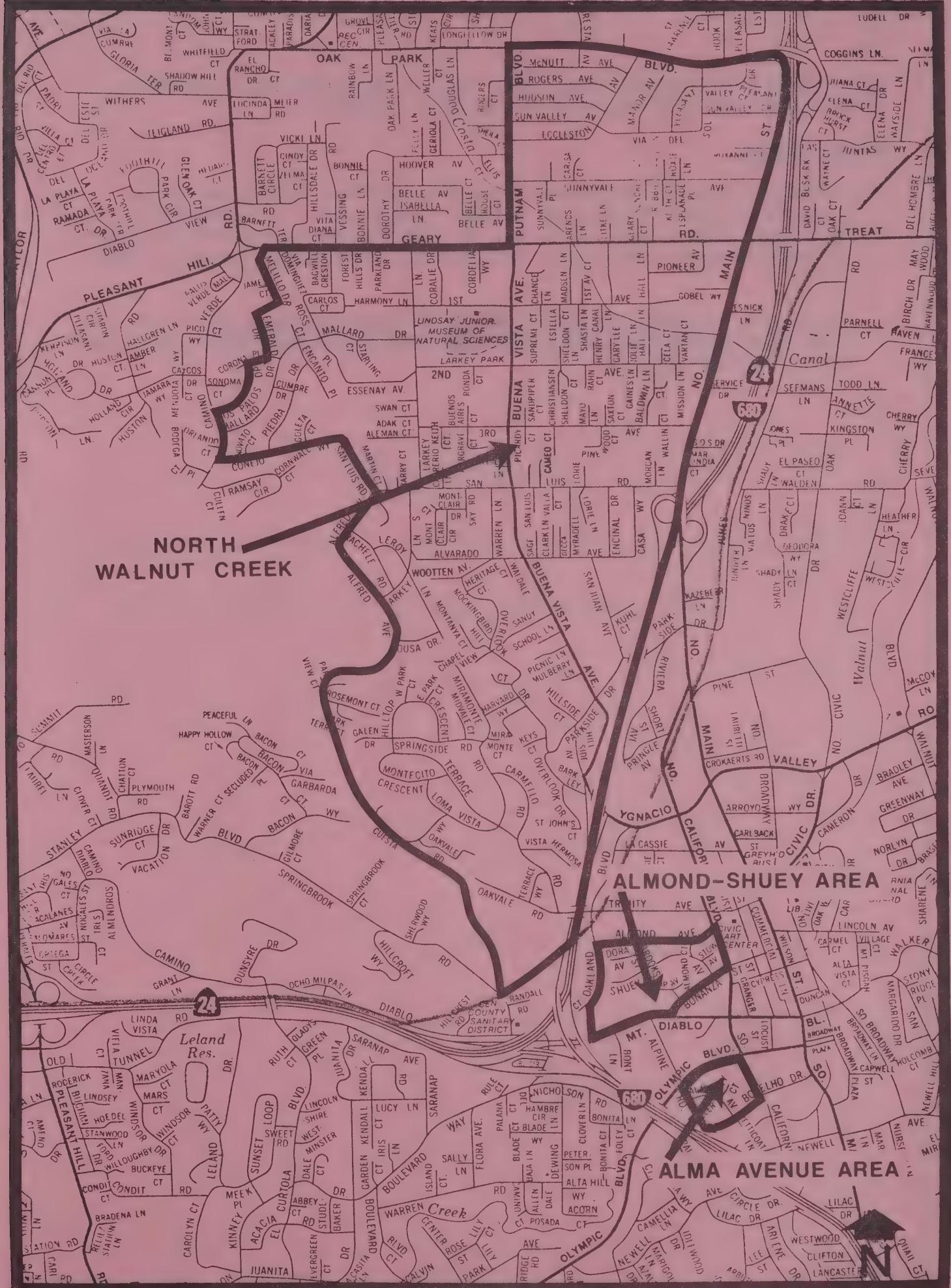
2. TO PROMOTE HOME MAINTENANCE, REHABILITATE DETERIORATING DWELLINGS, AND TO CONSERVE THE CITY'S HOUSING STOCK, THE CITY WILL UNDERTAKE HOUSING CONSERVATION EFFORTS.

## Implementation

- a. Undertake a pilot study to explore ways for the public and private sectors to conserve the City's housing stock. First priority should be directed toward the City serving as a catalyst to involve the private sector in housing conservation. The pilot study should also explore the need for and feasibility of programs in home maintenance education, housing counseling, low-interest rehabilitation loans, and rebates.

- b. After the pilot study is completed, consider further efforts in housing conservation, which could include, but is not limited to, the following:

1. Home maintenance information and education to provide homeowners with technical assistance on home repairs and financing.
2. Low-interest rehabilitation loans in concentrated Housing Conservation Areas to assist low- and moderate-income households to repair their dwellings. Community Development Block Grant funds could be used to finance such a program.
3. Rebates to property owners in concentrated housing conservation areas who repair their dwellings. Community Development Block Grant funds could be used to finance such a program.



3. TO MAINTAIN SAFE APARTMENT DWELLINGS, THE CITY WILL CONTINUE TO SUPPORT CONCENTRATED CODE ENFORCEMENT IN MULTIFAMILY STRUCTURES.

Implementation

- a. Follow-up the Code Enforcement Program undertaken during the Second Year Block Grant Program with periodic inspections. If additional apartment areas develop problems, as evidenced through tenant complaints or other sources, carry out a concentrated enforcement program in that area.
- b. Develop an ordinance to require all multifamily structures of five or more units to be inspected every third year as a condition of obtaining a City business license.

# **Accessibility of Housing**

## **Objectives**

1. To work toward eliminating discrimination in housing in Walnut Creek where it exists.
2. To assist in resolving conflicts between landlords and tenants.

# Policies and Implementation Programs.

1. TO ASSURE EQUAL OPPORTUNITY IN HOUSING TO ALL GROUPS, THE CITY WILL SUPPORT EFFORTS TO ELIMINATE DISCRIMINATION IN HOUSING WITH REGARD TO RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, AGE, OR FAMILY STATUS.

## Implementation

- a. Study further the problem of discrimination against families with children. Explore alternatives to protect families asked to move, to increase options for families, and to encourage family projects.
  - b. Investigate further into the problem of discrimination in housing in Walnut Creek; and, if necessary and appropriate, consider providing support to local groups that handle complaints of discrimination. Financial assistance could come from Community Development Block Grant funds or other sources.
- 
2. TO MAINTAIN AND EXPAND HOUSING OPPORTUNITIES, THE CITY WILL SUPPORT RESOLUTION OF PROBLEMS AND CONFLICTS BETWEEN LANDLORDS AND TENANTS.

## Implementation

- a. Consider providing support to local groups that are assisting tenants and landlords with problems. Financial assistance could come from Community Development Block Grant funds or other sources.
- b. If the need arises, consider additional City involvement in the area of landlord-tenant relations, including such possibilities as an information and referral service, a landlord/tenant mediation board, etc.

I

# INTRODUCTION



# Introduction

## Housing in Walnut Creek

Housing is a critical issue in our daily lives because it provides us with the basic shelter we all need. Walnut Creek has 46,034 residents who are entitled to decent, safe and sanitary housing. At the same time, the City's 20,047 housing units are Walnut Creek's most valuable physical resource. Decisions concerning housing impact on our daily lives and also affect the social and physical character of the entire community.

Compared to other cities in the Bay Area, Walnut Creek is a relatively affluent community. The Central Contra Costa area has the highest median income of all housing market areas in the region. Housing costs - home values and rents - are also among the highest in the Bay Area.

Walnut Creek's housing is also relatively new. Over 80% of the dwellings in the City have been constructed in the last 15 years. Compared to other communities, Walnut Creek's housing stock is in very good condition.

The housing problems in the Walnut Creek community are therefore minor compared to most other areas in the region. However, some problems do exist, particularly for lower-income households and senior citizens. While middle-and upper-income households also have housing concerns, the emphasis in the Housing Element has been on those segments of the community where the greatest need exists.

## Role of the Housing Element

The need for this revised Housing Element to the General Plan arose because the previous Housing Element was incomplete and out-of-date. Prepared in 1971, it was considered to be Phase I in the process of establishing "action programs to encourage desired housing to be provided in Walnut Creek." Additionally, in its resolution of June 10, 1975, initiating this revision and update, the Walnut Creek Planning Commission recognized that inflation in housing costs has caused shortages of housing for the elderly and other groups. Since it is the policy of Walnut Creek to provide adequate housing for all its residents, new steps would have to be taken to do so.

It is the intent of this Housing Element to provide a statement of City policy to guide decision-making on housing issues. Its goal, as called for by the Planning Commission, is "to develop a viable action program to provide housing for all segments of Walnut Creek's population." Therefore, it goes beyond general statements of policy to set forth specific implementation actions which the City can undertake to address its housing problems and needs.

## Format of the Housing Element

The Housing Element contains the following components:

1. An inventory of Walnut Creek's population and housing characteristics (contained in a separate Housing Data Report)

2. A statement of goals for housing in Walnut Creek (pink page).
3. Analysis of the City's housing needs and problems, as well as the constraints which operate to impede their solution.
4. Alternative action measures to meet the City's housing needs.
5. Recommendations of objectives and policies to provide general direction for decisions on housing issues.(pink pages).
6. Recommendations of specific action measures to implement the policies in a viable Housing Program for Walnut Creek. (pink pages)

The pink pages of Goals, Priorities, Objectives, Policies, and Implementation Programs constitute the adopted policy of the City Council as the Housing Program for the City of Walnut Creek. The white pages provide data analysis and possible alternatives as background support materials.

The Housing Element focuses on three major issue areas:

1. Adequate provision of Housing for All Groups addresses the need to provide housing for those groups in the City, including senior citizens, and low and moderate income families, who are having difficulty in the housing market.
2. Housing Conservation is concerned with the need to maintain Walnut Creek's housing stock in its generally good condition.
3. Accessibility of Housing address the problems of discrimination and landlord-tenant conflicts so as to insure open and free choice of housing for all.

**II**

# **HOUSING GOALS**



# Housing Goals

## ADEQUATE PROVISION OF HOUSING

1. To provide all residents of the Walnut Creek Planning Area with decent, safe, and sanitary housing which they can afford.
2. To provide a range of housing types to meet the needs of all age groups and types of families within the Walnut Creek community.
3. To provide special types of housing for groups with particular needs, including the elderly and handicapped.
4. To provide a full range of residential densities compatible with existing development and responsive to the needs for housing within the Walnut Creek Planning Area.
5. To coordinate housing programs within the Planning Area with the activities of Contra Costa County, ABAG, and other state and federal agencies.

## HOUSING CONSERVATION

6. To maintain the quality and diversity of Walnut Creek's stable residential communities.
7. To upgrade deteriorating housing in viable residential neighborhoods and to prevent further deterioration.
8. To keep the existing housing supply within the financial means of Walnut Creek's residents.

## ACCESSIBILITY OF HOUSING

9. To assure that all persons, regardless of sex, age, family status, race, color, or creed have an equal opportunity to secure housing within the Walnut Creek Planning Area.

## CARRYING OUT THE HOUSING PROGRAM

10. To encourage citizen participation in planning and programming of housing policy and public improvements in the Walnut Creek Planning Area.
11. To develop and implement a housing action program to carry out the goals and policies of the adopted Housing Element.



### III

# ADEQUATE PROVISION OF HOUSING FOR ALL GROUPS



# Needs and Constraints

Providing adequate housing for a mix of income groups is becoming an increasingly difficult goal for Walnut Creek to achieve. Housing costs have dramatically increased in the last few years due to higher construction costs, inflation, higher mortgage rates, and a diminishing supply of vacant land. As a result, low and moderate income households are being priced out of the market and many middle income households are also experiencing difficulty.\*

## 1. The Cost of Buying Homes

### a. Existing Homes

Over the past decade, the cost of homes has dramatically increased. From 1964 to 1976, the average price of single family homes in Central Contra Costa County increased from \$24,282 to \$68,500 - a rise of 182%. (Figure III-1). These prices indicate what is happening in Walnut Creek as well as providing a reflection of Bay Area and national trends in housing prices. From 1970 to 1975, housing prices increased 60.3% in Central Contra Costa County, while incomes increased only 38.5% in Walnut Creek.

In Walnut Creek, the average selling price for resale homes for July - September 1976, was \$71,000. (Figure III-2). By December, this average had risen to \$76,128. Most of the single-family dwellings for sale are in the \$50,000 - 90,000 range. Only 29 units (11.8%) were available for under \$50,000 during this period, while 35 units (14.2%) were available for over \$90,000.

Most of the units for sale are single-family detached homes. Less than 20% of the resale dwellings in Walnut Creek are townhouses or condominiums. These attached units are in the lower price ranges and comprise 30% of the dwellings available for less than \$70,000.

### b. New Homes

Although most of Walnut Creek's housing stock is not very old, brand new homes are desired by many people and indicate trends for the future. Newly-constructed dwellings in Walnut Creek range from \$57,300-118,500. Detached homes are the most expensive and are priced well above the average resale home. Attached homes are generally smaller and less expensive than detached homes. In either case, new units tend to cost more than resale homes of the same size and type because construction costs are rapidly increasing. (Figure III-3).

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\* Low and moderate income households are those earning less than \$12,000 per year (80% of the County median). Middle income households are those earning between \$12,000 and \$18,000 per year.

FIGURE III--1

AVERAGE PRICE OF SINGLE FAMILY HOMES, MULTIPLE LISTING SERVICE  
 CONTRA COSTA BOARD OF REALTORS  
 Three Months Moving Average; By Months, 1964-76

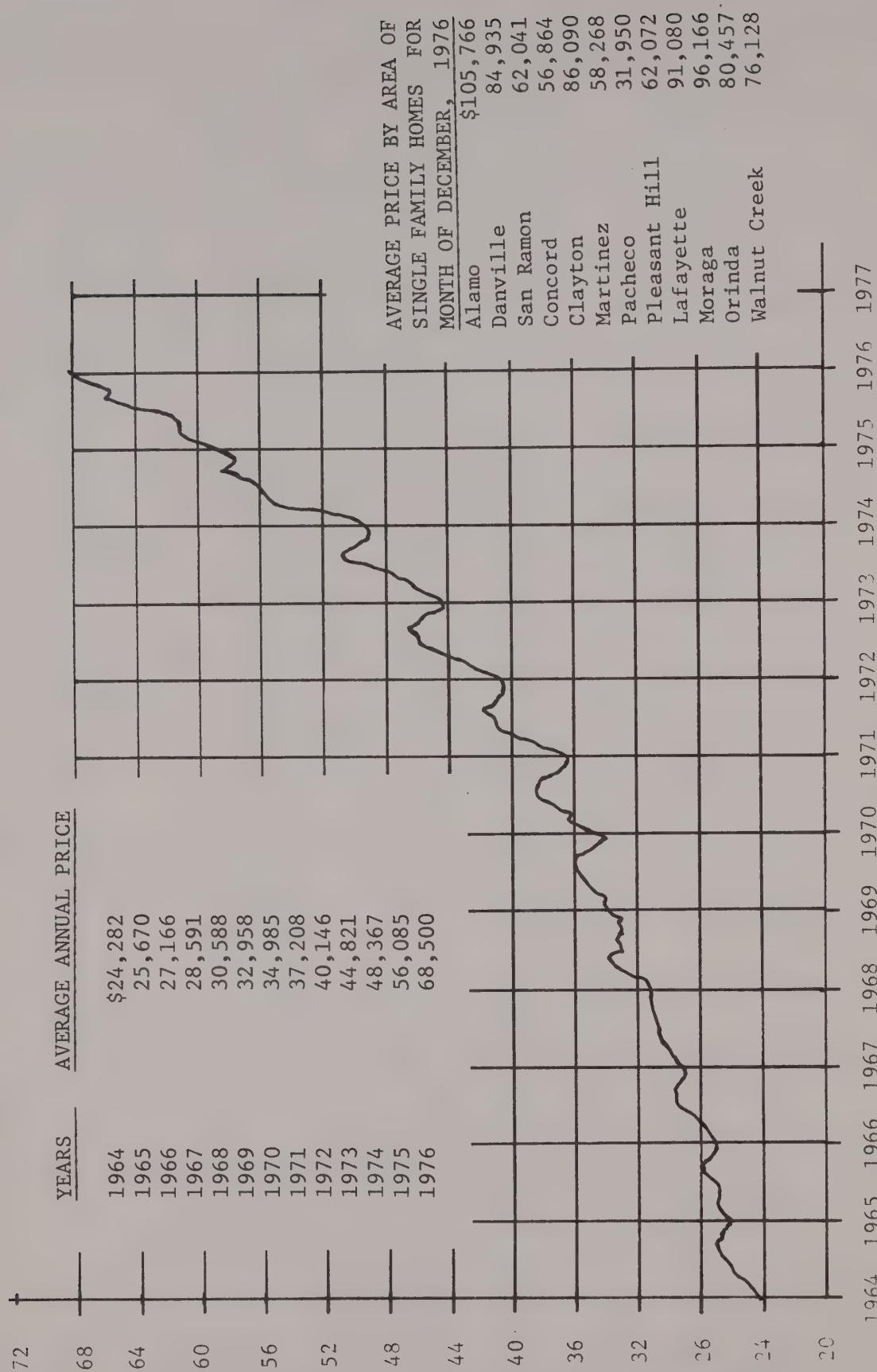


FIGURE III-2

**RESALE DWELLINGS SOLD IN WALNUT CREEK  
JULY-SEPTEMBER 1976**

<u>SELLING PRICE</u>	<u>SINGLE FAMILY DETACHED</u>	<u>TOWNHOUSE/ CONDOMINIUM</u>	<u>TOTAL</u>	<u>PERCENT</u>	<u>CUMULATIVE PERCENT</u>
\$ 30-40,000	1	6	7	2.8	2.8
40-50,000	9	13	22	9.0	11.8
50-60,000	33	7	40	16.2	28.0
60-70,000	49	11	60	24.4	52.4
70-80,000	42	7	49	20.0	72.4
80-90,000	32	1	33	13.4	85.8
90-100,000	20	0	20	8.2	94.0
100-110,000	3	0	3	1.2	95.2
110-120,000	5	0	5	2.0	97.2
120-130,000	4	0	4	1.6	98.8
130,000+	3	0	3	1.2	100.0
<b>TOTAL</b>	<b>201</b>	<b>45</b>	<b>246</b>	<b>100.0</b>	

Average Price: \$71,000

Median Price: \$69,000

Source: Multiple Listing Service, Contra Costa Board of Realtors. The Multiple Listing Service does not include newly-constructed dwellings, dwellings which are not sold by realtors, or dwellings sold by realtors who are not subscribers to the service. Most Rossmoor units are not included. All dwellings listed with a Walnut Creek address are included in this tabulation.

FIGURE III-3

NEW HOUSING AVAILABLE IN WALNUT CREEK JULY 1976

Single Family-Detached

<u>No. of Bedrooms</u>	<u>Size Range (Square Feet)</u>	<u>Price Range</u>
3	1,535 - 2,031	\$66,950 - 88,950
4	1,760 - 2,700	\$69,990 - 109,500
5	2,313 - 3,000	\$88,950 - 118,500

Single Family-Attached

<u>No. of Bedrooms</u>	<u>Size Range (Square Feet)</u>	<u>Price Range</u>
2	1,182 - 1,500	\$57,300 - 69,950
3	1,350 - 2,246	\$61,950 - 80,950
4	1,741 - 2,300	\$62,950 - 84,950

Source: Walnut Creek Community Development Department Survey

c. Who Can Afford the Average House?

The housing prices discussed above take on added significance when compared with the incomes of the residents of Walnut Creek who will buy these dwellings. The "average" house of \$71,000 requires an income of nearly \$30,000 (Figure III-4). Yet, only 15% of Walnut Creek households have a yearly income of \$30,000 or more. (Figure III-5). Therefore, more than 85% of Walnut Creek residents could not afford the average existing house on the market today, if they were to make only the standard 20% downpayment.

If, of course, a household can accumulate a larger down payment - through the sale of a previous house or some other means - the income level needed to afford the average home will decrease. The hardship is greatest on first home buyers, primarily young families. Most young families will find it difficult to purchase a home in Walnut Creek today.

Low and Moderate Income households, comprising over 30% of Walnut Creek's population, will also have an extremely difficult time purchasing a dwelling in Walnut Creek. Unless these households can accumulate substantially more than 20% down, they are essentially priced out of the single family home market.

Middle Income households will have a somewhat easier time but the market is also tight for this income range. Households that purchased homes more than three years ago will probably be able to accumulate sufficient down payments to make the monthly payment affordable.

d. Changes in the Cost of Owning a Home

The increase in home prices has an effect on families that already own homes. Due to inflation, higher costs of new construction, increases in mortgage rates, and a high demand for housing, families that purchased homes several years ago would pay substantially more today for exactly the same house.

A survey conducted by the Northern California Real Estate Research Council helps illustrate this fact. Nearly 300 dwellings are appraised every six months by the Council to assess Bay Area housing trends. The six houses surveyed in Walnut Creek have increased in value 92-140% over the 9-year period from 1967 to 1976.

As an example, one house in the Walnut Creek sample was appraised at \$36,500 in 1967. At that time, with mortgage interest rates at 6%, the monthly payment on that house would have been approximately \$275 per month. By 1976, the same home was appraised at \$70,000 and interest rates had climbed to 9%. If the house were sold at that time, the new owners would have to pay \$600 per month. The new owners would thus pay \$325 per month more for exactly the same house nine years later. (Figure III-6).

Families that purchased homes more than 2 or 3 years ago therefore pay substantially less for more house than families attempting to purchase homes today. The problem is especially acute for first-time home buyers who do not have substantial equity built up and who cannot realize a profit from the sale of a prior house.

FIGURE III - 4

INCOME REQUIRED TO BUY  
THE AVERAGE HOUSE IN WALNUT CREEK

JULY - SEPTEMBER 1976

Average house price	\$ 71,000
20% down	<u>14,200</u>
Loan	\$ 56,800
Mortgage payment (9% interest, 30 yr.)	\$ 457/mo.
Taxes and insurance (approximate)	<u>150/mo.</u>
Total Monthly Payment	607/mo.
Yearly Income Needed	\$29,100

The above calculations are based on several assumptions. Any calculations regarding housing payments can only be approximations as individual cases will vary based on many factors. Some of these assumptions and variables are as follows:

1. Housing payment is defined as principal, interest, taxes, and insurance - it does not include the maintenance or "operating" costs of a house. These costs must be added to the monthly cost of having a home.
2. A general rule-of-thumb is that monthly housing payments should equal 25% of gross monthly income. Most lenders, in calculating the 25% of income, deduct any other monthly payments (such as payments on a car loan) from the gross income before figuring the 25% available for monthly housing payment. In cases where other monthly payments are substantial (car loans can easily come to \$100-150 per month), this can substantially decrease the amount available for housing.
3. The costs of housing calculated do not include closing costs, which may be substantial. A rough estimate is that closing costs can equal 3% of the selling price. For a \$50,000 house, closing costs could be \$1,500; for a \$70,000 house, closing costs would be \$2,100. These costs must be paid for when the house is purchased, and when added to the amount required for a downpayment, can create a hardship for many lower income families.
4. Downpayment requirements vary based on the house and qualifications of the buyer. For most houses, 20% of the selling price is usually required by lenders. Some newer houses can be acquired with 10% down, while brand new houses can sometimes be obtained for 5% down. Additionally, if a buyer qualifies for an FHA or VA loan, as little as 3% may be acceptable. However, a lower downpayment will normally be accompanied by a higher interest rate, and will, therefore, result in higher monthly payments.

FIGURE III-5  
YEARLY INCOME OF WALNUT CREEK HOUSEHOLDS

INCOME	CITY OF WALNUT CREEK			TOTAL PLANNING AREA		
	NUMBER	%	CUMULATIVE %	NUMBER	%	CUMULATIVE %
Less than \$7,500 (Low Income*)	1,660	14.5	14.5	2,233	13.5	13.5
\$7,500-\$12,000 (Moderate Income**)	1,986	17.4	31.9	2,611	15.8	29.3
\$12,000-\$18,000 (Middle Income)	2,378	20.8	52.7	3,712	22.4	51.7
\$18,000-\$25,000 (Upper Middle Income)	2,500	21.9	74.6	3,889	23.5	75.2
\$25,000-\$30,000 (Upper Middle Income)	1,262	11.0	85.6	1,795	10.8	86.0
\$30,000+ (Higher Income)	1,655	14.5	100.1	2,313	14.0	100.0
TOTAL	11,441	100.0		16,553	100.0	
	Median Income: \$17,133			Median Income: \$17,620		

Contra Costa County Median Income: \$15,026

\* Low Income is defined by the Federal Government as less than 50% of the County median income

\*\* Moderate Income is defined by the Federal Government as 50-80% of the County median income

FIGURE III-6  
CHANGES IN COST OF OWNING A HOME

1967:

House Price	\$ 36,500
Down Payment (20%)	\$ 7,300
Loan Needed	\$ 29,200
Mortgage payment (6%, 30 yr.)	\$ 176/mo.
Taxes and insurance (approx.)	\$ 60/mo.
Total housing payment	\$ 236/mo.

1976:

House price	\$ 70,000
Down payment (20%)	\$ 14,000
Loan needed	\$ 56,000
Mortgage payment (9%, 30 yr.)	\$ 450/mo.
Taxes and Insurance (approx.)	\$ 150/mo.
Total housing payment	\$ 600/mo.

## 2. The Rental Market

### a. Rental Prices

Rents in Walnut Creek are also increasing, although not as fast as house prices. In 1970, the median contract rent for Walnut Creek was \$163 per month for all rental units (including single family houses and duplexes). By 1977, average rents in Walnut Creek for apartment units in buildings of 5 or more rentals increased \$241 per month, an increase of 53%\* (Figure III-7). During the period 1970 to 1975, incomes increased only 38.5%.

Increases in rentals have been slower than increases in home prices for several reasons. Rental buildings are not sold as often as single-family homes, so the effects of inflation and higher mortgage rates are not reflected as quickly in the rents. However, this slow turnover rate means that once buildings are sold, rents often increase dramatically.

New rental construction has also been slow, in part due to the economic recession of the early 1970's. Further, new apartment construction costs have jumped from \$11.71 per sq. ft. in 1967 to \$22.81 per sq. ft. in 1976,\*\* (an increase of 95%), but rental prices in the market have not increased sufficiently to support the costs of a new building. Housing experts do, however, predict an increase in new apartment construction in the next few years as rents catch up to actual costs. This means rental prices are likely to show substantial increases in the near future.

### b. Availability of Rental Units

Walnut Creek's renters comprise 36.2% of the City's households, residing in an estimated 7200 units.\*\*\* Most of these rentals are in larger buildings of 5 or more units. However, there has been an increase in recent months of single-family homes for rent.

Demand for rental units in Walnut Creek is extremely high. A survey of apartments in buildings of 5 or more units in March 1977 showed a vacancy rate of around 2%. This tight rental market prevails throughout Central Contra Costa County, which has a vacancy rate of around 1% according to the County Housing Authority. Until new units are constructed, this high demand will cause rents to increase even more.

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\* Unfortunately, exactly comparable data for looking at different years is not available. The 1970 Census reported rents paid by tenants and included all rental units. The 1977 data is from a Community Development Department survey of rental buildings of 5 or more units.

\*\* Northern California Real Estate Report, Vol. 28, No. 2, p. 61.

\*\*\* 1975 Contra Costa County Special Census. No data is available on the exact number of rental units. The proportion of households that rent has been applied to the total number of housing units to arrive at the 7,200 estimate.

FIGURE III -7

RENTALS IN WALNUT CREEK  
MARCH 1977

<u>Type of Unit</u>	<u>No. of Units Responding</u>	<u>Range of Rents</u>	<u>Average Rent</u>	<u>Vacancy Rate</u>
Studio	282	\$100 - 299	\$200	1.7%
1 Bedroom	1,040	100 - 399	\$218	0.8%
2 Bedrooms	1,163	150 - 499	\$273	2.6%
3 Bedrooms	141	150 - 499	\$236	7.8%
TOTAL	2,626	\$100 - 499	\$241	2.1%

Source: Community Development Department Survey, March 1977. A questionnaire was sent to all apartment buildings in Walnut Creek of 5 or more units. The response from 2626 units represents nearly 37% of all rental units in Walnut Creek (including single-family homes for rent and buildings of 4 or less units).

c. Loss of Existing Rentals

In the last few years, conversion of rental apartments to condominiums has become very popular. In Walnut Creek, 332 units in nine projects have been converted to condominiums since 1972. This represents 5% of the existing rental stock.

Conversions raise a general issue of the supply of housing in the community. Although conversions may provide lower-cost ownership opportunities, they do so at the expense of reducing the rental stock in the City. With little land available for construction of new multi-family units, the existing rental stock can be considered fixed. Each time a rental building is converted to condominiums, the supply of rental units is decreased.

In addition, the vacancy rate in Walnut Creek is low enough to make it difficult for a tenant who is about to be replaced by a conversion to find replacement housing. Definitions of critical vacancy levels vary but in general 3 - 6% is considered low. Walnut Creek's vacancy rate of 2% is well below the critical level.

Low vacancy rates and the diminution of the rental stock impacts on all low- and moderate income households in the community, not only those displaced by condominium conversions. Lower income households are already limited financially as to the housing they can afford and are dependent on a supply of lower cost rental units. Low vacancy limits their choice further and each time the rental stock is reduced, more pressure is put on rents to increase because the demand is greater than the supply.

3. Section 8 Housing Assistance Subsidies

Currently, the only housing subsidies available to individual households are provided through the Section 8 Housing Assistance Payment Program. Part of the 1974 Housing and Community Development Act, these federal funds are administered by the County Housing Authority. A household must meet the program's income limits of 80% of the County median income- or approximately \$12,000 per year, adjusted for family size. The household then pays 25% of their income for rent and the Housing Authority pays the rest to the landlord.

The Section 8 program sets "fair market" rent levels (including utilities) which are the maximum a unit can rent for to be eligible for the program. As of January 1977, maximum rents existing for units in Contra Costa County were:

	<u>Non-Elevator</u>	<u>Elevator</u>
Studio	\$169	
1 Bedroom	\$193	\$212
2 Bedrooms	\$228	\$251
3 Bedrooms	\$317	\$289
4+ Bedrooms	\$359	\$329

When compared to average rents in Walnut Creek (Figure III-7), most of these "fair market" rents are too low, except for the larger (3+ bedroom) units. This means that families who qualify for housing subsidies often cannot find a qualified unit to rent.

Demand for subsidies is extremely high. As of January 1977, 54 subsidies had been allocated to Walnut Creek residents - 50 to elderly or handicapped households and 4 to other families. An additional 123 households have applied for assistance but no additional subsidies are expected until FY 1977-78. The Housing Authority offices have such a large backlog that they are no longer accepting additional applications.

The Section 8 program also provides rent subsidy funds for new construction or substantial rehabilitation. These subsidy funds go directly to a developer or non-profit sponsor, guaranteeing that units will be subsidized for up to the life of the mortgage. The developer/sponsor must still obtain his own financing through federal or other sources, but the Section 8 allocations usually make financing easier to obtain.

The Section 8 new construction program allows higher rent levels than for existing units, in recognition of the high cost of new construction. As of April 1976, "fair market" rentals (including utilities) for new units in Contra Costa County were:

	<u>Non-Elevator</u>	<u>Elevator</u>
Studio	220	271
1-Bedroom	251	324
2-Bedrooms	299	401
3-Bedrooms	372	-
4+-Bedrooms	417	-

A major drawback of this program is that limited funds are available. In February 1976, HUD advertised for 231 units of new subsidized housing in Contra Costa County. One project was approved in Walnut Creek which will have 36 subsidized units (in a total project of 201 units). In April 1977, HUD published its second advertisement for Section 8 new construction. This allocation involves only 130 units for all of Contra Costa and Alameda Counties.

#### 4. Available Land

A major problem in providing new housing in Walnut Creek is the lack of vacant land available for new residential construction. As of June 1976, there were 240 acres of vacant land designated for residential use in the City (excluding Rossmoor) and another 826 acres in Walnut Creek's Planning area (Figure III-8).

If the incorporated lands are built out to the maximum of their current designations, there will be an addition of approximately 1,231 units to Walnut Creek's housing stock of 20,047 units - or an increase of 6.1%. With an average household size of 2.4 persons per unit, this means an increase in population of 2,954 or 6.4% over the 1975 population of 46,034.

This limited supply of vacant land available for residential development means that the days of rapid housing growth are over. The total number of units will not increase significantly and the result will be a higher demand on existing units. This high demand coupled with a relatively fixed supply will cause housing costs to increase even further.

FIGURE III - 8

## VACANT RESIDENTIAL LAND

CITY OF WALNUT CREEK

<u>Zoning Classification</u>	<u>Acreage</u>	<u>Maximum Potential Units</u>
R-20	42.7	68
R-15	12.6	26
R-12	2.6	7
R-10	45.6	141
R- 8	20.6	78
D- 3	5.4	55
	<u>129.5</u>	<u>375</u>
M-3	30.6	312
M-2	0.5	8
M-1.5	1.9	38
M-1	4.5	135
	<u>42.9</u>	<u>493</u>
PD	38.1	118
S	<u>35.0</u>	<u>245</u>
	<u>73.1</u>	<u>363</u>
	<u>=====</u>	<u>=====</u>
TOTAL	240.1	1,231

UNINCORPORATED PARTS OF PLANNING AREA

<u>Designated Use (units/acre)</u>	<u>Acreage</u>	<u>Maximum Potential Units</u>
0-2	417.9	836
1-2.5	206.4	516
2.5-4	161.7	647
4-7	<u>24.7</u>	<u>173</u>
	<u>810.7</u>	<u>2,145</u>
7-12	11.1	133
12-22	2.1	46
22-30	<u>2.0</u>	<u>60</u>
	<u>15.2</u>	<u>239</u>
	<u>=====</u>	<u>=====</u>
TOTAL	825.9	2,384

Source: Community Development Department Survey, April 1976.

## 5. Housing Need in Walnut Creek

Although the high cost of housing affects all residents of Walnut Creek, the impact is greatest on households at the lower end of the income range. These families tend to be those most in need of housing assistance.

Low and moderate income households in Walnut Creek can be defined as households with incomes less than 80% of the Contra Costa County median income (\$15,026) - or households with incomes less than \$12,000 per year.\* Walnut Creek has 3646 families - over 30% of the total households - that fall into this category. The City's median income is \$17,133. (Figure III-5)

Housing need can be defined in several ways. The Federal Department of Housing and Urban Development (HUD) defines households in need as low and moderate income families with one or more of the following conditions:

1. Overcrowding: Families with more than 2 persons per bedroom are considered to be living in overcrowded conditions.
2. Substandard Housing. The 1975 Contra Costa County Special Census classified housing units with major structural problems as "deteriorated" or "delapidated". These units are considered as substandard for purposes of need.
3. Overpayment. Households paying more than 25% of their income in rent are considered to be living in housing that is too expensive.

Using this definition, Walnut Creek has 1764 resident households in need of housing assistance. These households comprise 9.4% of the City's total population. More than 50% (947) of these households in need are elderly or handicapped. Nearly 60% of these families in need are female-headed households, while only 3% are minorities. (Figure III-9). Nearly 90% of these families have a housing need because they are paying too much of their income for housing.

In addition to current Walnut Creek residents, there is a housing need from those families expected to reside in the City. Using the HUD criteria, an additional 187 households in need of assistance are expected to reside in Walnut Creek in 1977-78, either as a result of planned or current employment. (Figure III-9).

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\* This income is adjusted according to family size. The \$12,000 per year figure is an average for Walnut Creek, most generally representing a family of four.

FIGURE III - 9

**HOUSEHOLDS IN NEED OF HOUSING ASSISTANCE  
CITY OF WALNUT CREEK - 1976**

Households Needing Housing Assistance are defined as households with an income of less than \$12,000 per year (adjusted for family size) and that fall into one or more of the following categories:

1. Live in substandard housing
2. Live in overcrowded housing
3. Pay more than 25 percent of their income for rent

CITY RESIDENTS

	<u>Owner</u>	<u>Renter</u>	<u>Total</u> <u>No. of Households</u>	<u>% of Total</u> <u>Households</u> <u>In Need</u>
Elderly or Handicapped	483	464	947	53.7
Families (4 or less)	150	634	784	44.4
<u>Large Families (5 or more)</u>	<u>15</u>	<u>18</u>	<u>33</u>	<u>1.9</u>
TOTAL	648	1,116	1,764	100.0

ADDITIONAL FAMILIES EXPECTED TO RESIDE IN WALNUT CREEK

Total No. of Households

As a result of planned employment	51
Already employed in Walnut Creek	<u>136</u>
TOTAL	187

TOTAL HOUSEHOLDS IN NEED OF ASSISTANCE

Total No. of Households

Total city residents	1,764
Total additional families expected	<u>187</u>
TOTAL	1,951

Source: 1975 Special Census, projected to 1976 by Contra Costa County Planning Department.

These figures of housing need are important for several reasons:

1. They indicate the magnitude of the housing problem in Walnut Creek if the City is to provide adequate housing for all of its residents. Using these figures, goals for meeting the needs can be established realistically.
2. They are used in the Housing Assistance Plan (HAP), an annual statement of housing needs and goals required to be prepared in order to receive Community Development Block Grant funds. Walnut Creek's needs are incorporated into the HAP for Contra Costa County.
3. They are used to determine the Section 8 housing assistance subsidies for Walnut Creek. This program, administered by the County Housing Authority from Federal funds, is currently the only housing subsidy program available for individual families.

# Priorities For Meeting Housing Needs

## 1. PEOPLE NOW LIVING IN WALNUT CREEK

The needs of people now living in the City of Walnut Creek should be given first priority in providing housing. Priority should go to existing residents as follows:

- A. Elderly residents (age 62 and older)
- B. Handicapped persons
- C. Single-parent families
- D. Young families, particularly those with small children
- E. Other families with low incomes

## 2. PEOPLE WORKING IN WALNUT CREEK

Second priority should go to providing housing in Walnut Creek so that those who work here can afford to live here (if they choose).

Within each group above, priority should go to:

- 1. Low income households: defined by HUD as households with incomes less than 50% of the County median. In 1975, this was \$7,500 for a family of four.
- 2. Moderate income households: defined by HUD as households with incomes less than 80% of the County median. In 1975, this was \$12,000 for a family of four.

# Sites for Low - and Moderate - Income Housing

To provide housing for low and moderate income families, adequate sites must be available for development. The rapidly diminishing supply of vacant land has limited the possibilities for constructing new lower-cost housing in Walnut Creek.

In order to attempt to provide some new low and moderate income housing in Walnut Creek, several sites have been studied by staff and the Block Grant Committee where the construction of such housing would be most desirable. Criteria have been developed for considering sites for elderly, family, and congregate (limited care) housing and many vacant and underutilized sites throughout the City were studied as possibilities. Those which best met the criteria have been ranked within each category as "Best", "Good", or "Adequate".

The designation of sites is important for several reasons:

1. To encourage the development of low- and moderate-income housing throughout the City.
2. To aid in making decisions on specific proposals for low and moderate income housing.
3. To help in the development of specific plans in certain areas of the City.
4. To provide designations to use in the General Plan (Housing Element) to allow for rezoning of sites for different types of housing when necessary and appropriate.

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#### Notes on the designation of sites:

1. Although a few of the sites are very large (over 20 acres), it is not necessarily intended by the Committee that the entire site be used for low- and moderate-income housing. As most of these large sites are vacant, the entire site has been listed as a possibility so as to allow individual developer's flexibility in determining which portion to develop for low- and moderate-income housing.
2. On several sites, the General Plan and/or zoning designations do not permit residential uses of the type proposed. General Plan and zoning designations were omitted from the criteria in order to choose the most desirable sites.
3. Within each classification, there is no attempt to numerically order the sites. All of the "Best" sites are considered to be equal within that classification, as are all the "Good" and "Adequate" sites as well.
4. Although some of the sites in the downtown area are very expensive, they have been included because of their good location. It should be noted that all values given are full cash value obtained from the Assessor's tax roles. (Actual assessments for tax purposes are 25 percent of these figures.) These values are used only as an approximation of market value and are assumed to be low.
5. The sites selected are not intended to be all inclusive. If additional sites become available, they should be added to the list.

STUDY MAP OF POSSIBLE SITES FOR  
LOW- AND MODERATE-INCOME HOUSING

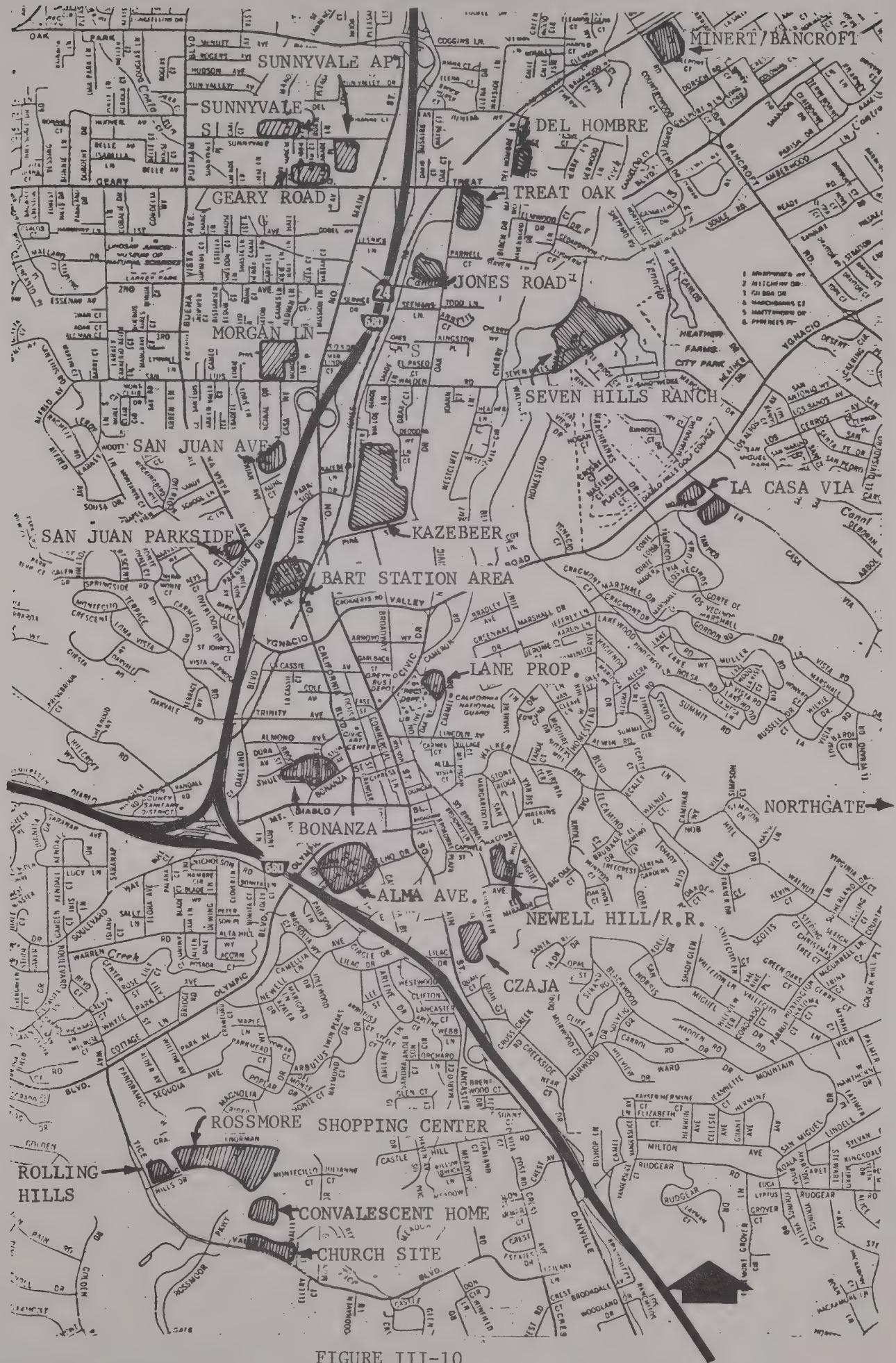


FIGURE III-10

# 1. SITES FOR LOW AND MODERATE INCOME HOUSING

NAME OR LOCATION	SIZE (ACRES)	CITY OR COUNTY	ZONING	GENERAL PLAN	ASSESSED CASH VALUE/ ACRE
<u>Downtown Sites</u>					
Alma Avenue	9.5	City	Single Family (R-10)	Elective	\$127,700
BART Station Area	4.6	City	Multi-Family (M-2)	Elective	\$153,440
Bonanza St. Redevelopment Area	2.2	City	Duplex (D-3)	22-30 Dwellings/acre	\$100,000
Czaja Property	4.4	City	Central Commercial (C-C)	Elective	\$ 56,800
Kazebeer Property	28.4	City	Study (S)	7-12 dwellings/acre	\$ 33,840
Lane Property	1.1	City	Multifamily (M-1)	22-30 dwellings/acre	\$ 64,000
Newell Hill/Railroad	2.7	City	Central Commercial (C-C)	Retail Office	\$145,100
<u>Rossmoor Area Sites</u>					
Rossmoor Shopping Center	28.3	City	Planned Development (P-D)	1-4 Dwellings/\$ acre, Commercial, and Office	\$ 24,000
Convalescent Home Site	2.8	City	Planned Development (P-D)	Institutional	\$ 56,000
Church Site	3.5	City	Planned Development (P-D)	Institutional	\$ 56,000
Rolling Hills/Tice Valley Site	5.5	City	Planned Development (P-D)	Library	\$ 24,000
<u>North Walnut Creek Area Sites</u>					
San Juan Avenue	3.6	City	Duplex and Single Family	7-12 dwellings/acre	\$ 26,400
San Juan/Parkside	1.3	City	Multifamily (M-3)	7-12 Dwellings/acre	\$ 45,400
Morgan Lane	2.9	City	Multifamily (M-2)	12-22 Dwellings/acre and Single Family	\$ 28,800
Sunnyvale Avenue Apartment Site	1.6	City	Multifamily (M-1.5)	12-22 Dwellings/acre	\$ 63,200
Other Sunnyvale Ave. Apartment Sites	8.4	City	Duplex and Single Family	4-7 Dwellings/acre	\$ 30,400
Geary Road Sites	6.0	City	Single Family (R-10)	4-7 Dwellings/acre	\$ 48,400
<u>Ygnacio Valley Sites</u>					
Treat/Oak Road	8.9	County	Single Family (R-15)	22-30 Dwellings/acre and Office	\$ 28,800
Jones Road Site	2.3	County	Single Family (R-15)	12-22 Dwellings/acre	\$ 35,400
Del Hombre Site	3.1	County	Single Family (R-15)	12-22 Dwellings/acre	\$ 16,000
Bancroft/Minert	9.4	City	Single Family (R-15)	2.5-4 Dwellings/acre	\$ 25,100
Iaconetti Property	21.2	City	Study (S)	4-7 Dwellings/acre	\$ 15,100
La Casa Via Properties	5.0 4.9	City	Office (C-0) Study (S)	Office	\$ 34,400 \$ 40,640
Northgate	7.4	County	Agriculture	2.5-4 Dwellings/acre	\$ 15,460
Seven Hills Ranch	30.8	County	Agriculture (A-2)	2.5-4 and 4-7 Dwellings/acre	\$ 14,900

## 2. ELDERLY HOUSING

### DEFINITION

These are apartments, usually with one and two bedrooms, designed for people aged 62 and older. Most managers prefer a project with at least 50 units and preferably 100 units. Densities are usually 20 to 50 units per acre.

### SITE SELECTION CRITERIA

#### A. More Important Criteria

1. Proximity to: Shopping  
Social Services  
Public Transportation  
Health Care
2. Flat site
3. Size of Site (prefer two acres or more; one acre minimum)
4. Compatibility with adjacent development.
5. Cost
6. Community Acceptance

#### B. Less Important Criteria

1. Proximity to: Recreation  
Churches
2. Special amenities of site (trees, views, etc.)
3. Absence of detrimental conditions: traffic noise, industrial use, etc.
4. Annexation to City of Walnut Creek

### RANKING OF SITES FOR ELDERLY HOUSING

#### Best Sites:

##### Rossmoor Area

Rossmoor Shopping Center  
Convalescent Home Site  
Presbyterian Church Site

#### Good Sites:

##### Downtown

Alma Avenue  
Bonanza Street Redevelopment Area  
Czaja  
Kazebeer  
Lane  
Newell/Railroad

##### Ygnacio Valley

La Casa Via  
Treat/Oak Road

##### Rossmoor Area

Rolling Hills/Tice Valley

#### Adequate Sites:

##### Downtown

BART Station Area

##### Walden

Del Hombre  
Jones Road

##### Ygnacio Valley

Iaconetti  
Seven Hills Ranch

##### North Walnut Creek

Geary Road  
San Juan/Parkside  
Sunnyvale Apartment  
Sunnyvale Avenue

### 3. FAMILY HOUSING

#### DEFINITION

These are attached dwellings, usually garden apartments or townhouses, with three-to five-bedroom units designed for families with children. These units are appropriate for federal subsidies, but such apartments in Walnut Creek often exceed federal cost limits. However, cost limits may change in the future, or other subsidies make it possible to build these units for low- and moderate-income families.

#### SITE SELECTION CRITERIA

##### A. More Important Criteria

1. Distance to: Public transportation  
Schools  
Recreation  
Employment
2. School quality and overcrowding
3. Size of site (one acre or larger preferred)
4. Compatibility with adjacent development
5. Assessed value
6. Community acceptance

##### B. Less Important Criteria

1. Distance to: Shopping  
Social Services  
Health Care  
Churches
2. Special amenities (trees, views, etc.)
3. Flat site
4. Absence of detrimental conditions: traffic, noise, industrial use, etc.

#### RANKING OF SITES FOR FAMILY HOUSING

##### Best Sites:

<u>Rossmoor Area</u>	<u>Downtown</u>
Rossmoor Shopping Center	Kazebeer
Convalescent Home Site	
Presbyterian Church Site	

##### Good Sites:

<u>Rossmoor Area</u>	<u>Ygnacio Valley</u>
Rolling Hills/Tice Valley	Iaconetti
	La Casa Via
	Northgate
	Seven Hills Ranch
<u>Downtown</u>	<u>North Walnut Creek</u>
Alma Avenue	San Juan Avenue
Bonanza Street Redevelopment Area	
Czaja	
Lane	

##### Adequate Sites:

<u>Downtown</u>	<u>Walden Area</u>
BART Station Area	Del Hombre
Newell/Railroad	Jones Road
	Treat/Oak Road
<u>North Walnut Creek</u>	<u>Ygnacio Valley</u>
Morgan Lane	Bancroft/Minert
San Juan/Parkside	
Sunnyvale Apartment	
Sunnyvale Avenue	

#### 4. CONGREGATE HOUSING FACILITIES

## DEFINITION

These are buildings, also known as "limited care" facilities, with common dining designed for people (usually aged 75 or older) who cannot or prefer not to cook for themselves. The individual apartments may or may not contain kitchens, and are usually smaller than are conventional apartments. Recreational and social services are usually provided on-site. About 125 units minimum are needed to support a common dining room; 200 units are preferred. High densities are required for the small individual apartments, ranging from 30 to 50 per acre.

## SITE SELECTION CRITERIA

#### A. More Important Criteria

1. Size of site: Four to five acres minimum.
  2. Proximity to:
    - Public transportation (if not provided on site)
    - Health Care
    - Shopping
  3. Flat Site
  4. Compatibility with adjacent development
  5. Low Assessed Value
  6. Community Acceptance

### B. Less Important Criteria

1. Proximity to: Recreation  
Social Services  
Churches
  2. Special amenities of site (trees, views, etc.)
  3. Absence of detrimental conditions; traffic, noise, industry, etc.
  4. Annexation to City of Walnut Creek

## RANKING OF SITES FOR CONGREGATE HOUSING

## Best Sites

## Downtown

Ygnacio Valley

Czaia

La Casa Via

## Rossmoor Area

## Rossmoor Shopping Center

## Good Sites

## Downtown

## Ygnacio Valley

Kazebeer

Treat/Oak Road  
Iaconetti

## Adequate Sites

## Downtown

## Ygnacio Valley

## Alma Avenue

Bancroft/Minert  
Northgate  
Seven Hills Ranch

# Alternative Ways to Provide Lower-Cost Housing

Providing housing for low and moderate income residents of Walnut Creek presents a difficult problem. With housing costs soaring, rental costs increasing, and vacant land diminishing, the City has limited options. Because of these constraints, Walnut Creek must take advantage of the opportunities which remain if housing is to be provided for all income groups.

With only 125 acres available for single-family housing, it appears to be difficult to reduce new housing costs in this area. New single-family homes in Walnut Creek have been selling for \$57,000 to \$118,000. Adding additional density (to reduce land costs per unit) or modifying existing City regulations (to reduce their cost-increasing impacts) will not affect a significant number of units. It is also unlikely that costs can be reduced sufficiently to make these homes affordable to moderate-income families. Even Federal programs designed to lower single-family home costs have a maximum loan limit of \$45,000,\* which is too low for the new housing being built in Walnut Creek.

The focus for providing new housing is thus best directed to multi-family and single-family attached units. Such units are more likely to be built in a price range which low- and moderate-income families can afford. In addition, Federal subsidies, through the Section 8 program, are available to lower costs even further.

To provide low and moderate income housing in Walnut Creek will require an active role on the part of the City and other public agencies. An affirmative housing program is, in part, a new role which cities are beginning to undertake. However, many of the tools which can be used to assist in the provision of lower-cost housing are already used by most cities to achieve special amenities or assist commercial development. These mechanisms can be focused to aid in the provision of lower cost housing.

## 1. Assistance to Developers

Most developers are not experienced in the construction of low and moderate cost housing. Site selection is critical and special attention must be given to the design of the structure. Most developers are also not familiar with existing federal and state programs providing assistance for construction of lower cost units. The regulations for these programs change frequently and the application process is often very complicated. The City can aid developers through staff assistance in selecting sites, and in utilizing federal and state programs.

Unfortunately, the federal and state programs for subsidizing new construction are limited at this time. The three most promising sources of funds for new construction are:

- a. HUD Section 8 Subsidies. Under this program, a developer or non-profit sponsor applies to HUD for subsidized units. HUD sets "fair market" rents which are the maximum any unit can rent for to be eligible. The developer/sponsor must still obtain financing from other sources, although allocation of the subsidies usually makes this easier. (See discussion of the Section 8 program on P. III-9 ).

\* The FHA 203b program provides mortgage insurance on loans up to \$45,000. Other programs have even lower limits.

b. California State Housing Finance Agency. This new state agency can finance construction of new units. Funds for approximately 4,000 units state-wide were available in 1976. Competition is stiff for these units (as is Section 8), and the Agency has strict criteria. However, strong City interest can make a difference in getting projects approved.

c. HUD Section 202 - Elderly Housing. This program provides low-interest rate financing for elderly projects for low- and moderate-income households. However, these funds are limited to projects developed by non-profit sponsors, and HUD has indicated it prefers groups with strong housing experience.

## 2. Bonus Incentives

Cities have long utilized incentive provisions in their ordinances to encourage and promote special types of development or amenities. Incentives such as increased density or height, or reduced parking, have been granted for providing extra open space, pedestrian amenities, or extra setbacks. The incentive mechanism can also be applied to lower cost housing.

A major factor in the cost of new housing is the cost of land. If extra units can be constructed on a parcel, then the cost per unit is decreased. This decrease can be passed on as a lower rental price, making lower cost housing possible.

A density bonus provision written into the City's ordinances can work as an incentive to developers to build lower-cost units. Extra density can be granted if certain types of housing are provided. Some of the options which can be included in a bonus provision are:

### a. Type of Housing

Extra density can be made available as a bonus for all lower-cost housing or only for a certain type of housing, such as for senior citizens. Currently, the City's Core Area Plan permits consideration of higher densities for senior citizen-type housing in multi-family and elective use areas.

### b. Location

Bonus provisions could be made available in all multifamily zones or only in certain areas such as the Core Area. Several sites in all parts of the City have met the criteria for low- and moderate-income housing. (See previous section on Sites for Low and Moderate Income Housing).

### c. Amount of Bonus

Additional density can be expressed as a percentage of the permitted density or can be left to be decided on a case-by-case basis.

### d. Regulation of Rental Prices

A bonus provision can regulate the rental prices of units to insure that they are, in fact, being made available to low- and moderate-income families. One possibility is to require that bonus units be available

for Section 8 subsidies. This program sets "fair market" rents (including utility payments) which are the maximum that a unit can rent for to be eligible for the program.\* The eligible tenant pays 25% of his/her income in rent payments and the Section 8 subsidy covers the difference. The building owner thus receives the full rental payment. This program has the advantage of regulating the rents without involving the City. Its major drawback is that limited subsidies are available for this area.

A second option is for the City to set rent levels and require the developer to sign a contract to abide by them for a specified period of time. This option could be harder to enforce and does require more City involvement.

A third option is not to regulate rents at all, but merely make the bonus available only for certain types of housing (such as senior citizen). This may not result in lower-cost units.

#### e. Additional Provisions

Other incentives can be included in addition to increased density. A common provision is to reduce parking requirements for senior housing to one parking space for every four units. More flexibility in other regulations, such as height, can also be included.

### 3. Residential-Commercial Mix

Combining residential and commercial uses in the same project (either vertically or horizontally) could provide a lower cost alternative. Such mixes are recommended in the Core Area Plan as possibilities for the Elective Use areas. (Figure III-10). Providing even market rate rentals will help the tight rental market.

To encourage residential-commercial mix, incentives can be provided. For vertical combinations, height can be limited unless housing is also provided. For horizontal combinations, density can be increased if housing is added. Also possible is providing additional incentives if the housing developed meets certain rent limitations for low and moderate income housing.

The Core Area Plan calls for Specific Plans to be developed for each Elective Use area. The Specific Plans can be an appropriate vehicle for designating residential-commercial mixes. Priorities can also be established among the four Elective Use areas.

### 4. City Financial Assistance

Costs of new housing can be lowered if the City contributes financially to a project. The City can purchase vacant land and sell it to a developer at a reduced price (or "write down") to construct lower-cost housing. Many cities have used this mechanism in Redevelopment areas to encourage commercial development.

The actual cost of such assistance is the difference between the original purchase price of the land and the price at which it is sold to a developer. The monies returned from the sale can be used to purchase more land or can be directed to other programs. However, although the City's cost is not the full purchase price, the total amount must be available to undertake a "write-down" program. The high cost of vacant land in Walnut Creek means that substantial amounts must be initially committed.

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\* Separate "fair market" rents are set for new construction and existing units.

FIGURE III-11

CORE AREAS ELECTIVE USE AREAS



Although City monies are limited, one potential source of funds is the Community Development Block Grant. To use these funds for a land "write-down", a City-wide election must be held to approve the City's involvement in constructing low-cost housing and specifying the number of units to be constructed. This is required by a July 1976 California Supreme Court ruling on Article 34 of the State Constitution.\* The City Council can place the issue on a ballot by resolution.

## 5. Redevelopment

The Redevelopment process can also be used to provide for lower cost housing. The Redevelopment Agency can use its powers of eminent domain and its tax increment funds to amass buildable parcels and can then sell these lands at market price or at a write-down. The eminent domain powers are especially useful if many small parcels need to be acquired. The Redevelopment Agency is currently looking at the Bonanza Street area as a possibility for constructing some senior housing. As with Block Grant funds, a city-wide election would probably need to be held.

## 6. Assistance to Tenants and Landlords

Although the Section 8 Housing Assistance Program (see description earlier in this chapter) is founded by the Federal Government and administered by the County Housing Authority, the City can work with landlords, tenants, and other public agencies to insure the best use of the program in Walnut Creek.

The Section 8 program has two major problems:

1. Landlords agreeing to participate must do complicated paperwork.
2. Tenants have difficulty finding units within the maximum rents allowable.

Assistance to both landlords and tenants is needed to provide information about the program and available rentals. The City can take an active role in this area by providing this information. It can also provide financial assistance (through Community Development Block Grant funds) to non-profit organizations within the County which are currently working to assist landlords and tenants in dealing with Section 8.

## 7. Regulation of Condominium Conversions

Lower cost housing that already exists must be maintained and conserved, especially since little new housing will be able to be constructed in Walnut Creek. This means that the long-range focus will have to be housing conservation programs, an area addressed in Chapter IV.

In the short-range, one option is to regulate the conversion of rental units into condominiums. With a limited, and somewhat fixed, amount of rental units in Walnut Creek, the conversion of units to condominiums reduces the number of rental units available. If the supply is reduced, but the demand stays the same, the result is higher rental prices. In a tight rental market like Walnut Creek's, where the vacancy rate is approximately 2%, the impact is even greater, especially for lower income households.

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\* California Housing Finance Agency v. Elliott, 17 Cal. 3d 575 (July 21, 1976).

Other communities in the Bay Area have taken steps to regulate the rate of condominium conversions so as to reduce pressure on the existing rental stock. Marin County has established a policy that when the ratio of multiple-family rental units in the County falls below 25%, conversions will not be permitted. Up to that point, other factors will be considered, including:

1. The percentage of tenants desiring to purchase units.
2. The difficulty imposed on tenants in finding comparably priced relocation housing.
3. The vacancy rate (a countywide vacancy rate below 5% constitutes a housing emergency situation).

The City of Palo Alto has taken a slightly different approach. When the vacancy rate in Palo Alto drops below 3%, a "housing shortage" is considered to exist and no conversions are permitted. An exception is made if two-thirds of all adult tenants indicate their desire for a conversion.

Either of these approaches could be instituted in Walnut Creek. Combined with the existing regulations, the City would be taking steps to preserve the existing rental stock (especially for lower-income households), as well as to protect tenants and buyers in projects about to be converted.

#### 8. Fair Share Responsibilities

Due to the limited funds available on a local level, the City's efforts in providing low- and moderate-income housing will be primarily directed toward the regulatory measures discussed above. Financial assistance will have to come through the Federal Department of Housing and Urban Development (HUD). Walnut Creek can assist in providing low- and moderate income housing by accepting its share of the federal subsidies available.

The City can partly determine its share of federal funds through preparation each year of a Housing Assistance Plan (HAP), required for receiving Community Development Block Grant funds. The HAP evaluates needs and sets goals for subsidizing existing and new rental housing and for providing rehabilitation assistance. Walnut Creek's Section 8 allocations from HUD are based on these goals, in accordance with a "fair share" formula developed by ABAG.

Walnut Creek's goals for Section 8 units for the first three years of the Block Grant program were:

	<u>Section 8 Existing Units</u>	<u>Section 8 New Units</u>
1975-76	31	100
1976-77	37	36
1977-78	98	<u>36</u>
	166	172

These goals represent less than 20% of the 1951 households defined in Walnut Creek's HAP as needing assistance. (See section on Housing Need in Walnut Creek, p. III-14). As of January 1977, only 54 Section 8 existing unit subsidies and 36 new units had been allocated to Walnut Creek.

By setting goals each year, Walnut Creek can determine the share of assisted housing it is willing to accept. The ABAG distribution formula, which HUD uses in allocating subsidies, provides for local jurisdictions to set targets higher or lower than regionally set targets so as to more realistically reflect local needs and constraints. Since the Section 8 program began, Walnut Creek's goals have been higher than the actual subsidies received.

The City can also work with other agencies involved in the Section 8 program to insure its best utilization in Walnut Creek. The County Housing Authority is responsible for administering the Section 8 existing program. HUD determines the allocations for both new and existing units, based on ABAG's distribution system.

# Adequate Provision Of Housing For All Income Groups

## Objectives

1. To recognize that provision of low- and moderate-income housing in Walnut Creek will require an active role on the part of the City and other public agencies.
2. To provide incentives and options to developers to encourage the provision of low- and moderate- income housing.
3. To fully utilize and protect existing lower-cost housing.
4. To accept Walnut Creek's responsibilities for providing low- and moderate-income housing for the citizens of the Walnut Creek community.

# Policies and Implementation Programs

1. TO ATTEMPT TO PROVIDE APPROPRIATE LAND FOR THE PROVISION OF LOWER COST HOUSING, THE CITY WILL DESIGNATE SITES FOR LOW- AND MODERATE-INCOME HOUSING. THE DESIGNATION OF THESE SITES WILL BE USED TO AID IN MAKING DECISIONS ON SPECIFIC PROPOSALS, TO HELP IN THE DEVELOPMENT OF THE CITY'S PLANS, AND TO PROVIDE FOR CONSIDERATION OF GENERAL PLAN CHANGES AND REZONING FOR DIFFERENT TYPES OF HOUSING WHEN NECESSARY AND APPROPRIATE.

## Implementation

- a. Designate sites for low- and moderate-income housing as indicated on map "Priority Sites for Low- and Moderate-Income Housing." In addition, other sites designated "multifamily" or "elective" on the General Plan will also be considered.
  - b. Properties designated as sites for low- and moderate-income housing which are currently specified for multifamily use shall not have that use changed without a finding as to the inappropriateness of the particular site for multifamily development.
  - c. Update inventory of sites as appropriate. Sites which are not currently designated "multifamily" or "elective" may be considered for a change in designation.
- 
2. THE CITY WILL CONSIDER THE COST OF PROPOSED HOUSING IN ARRIVING AT RECOMMENDATIONS AND DECISIONS ON THE USE OF RESIDENTIAL LAND.

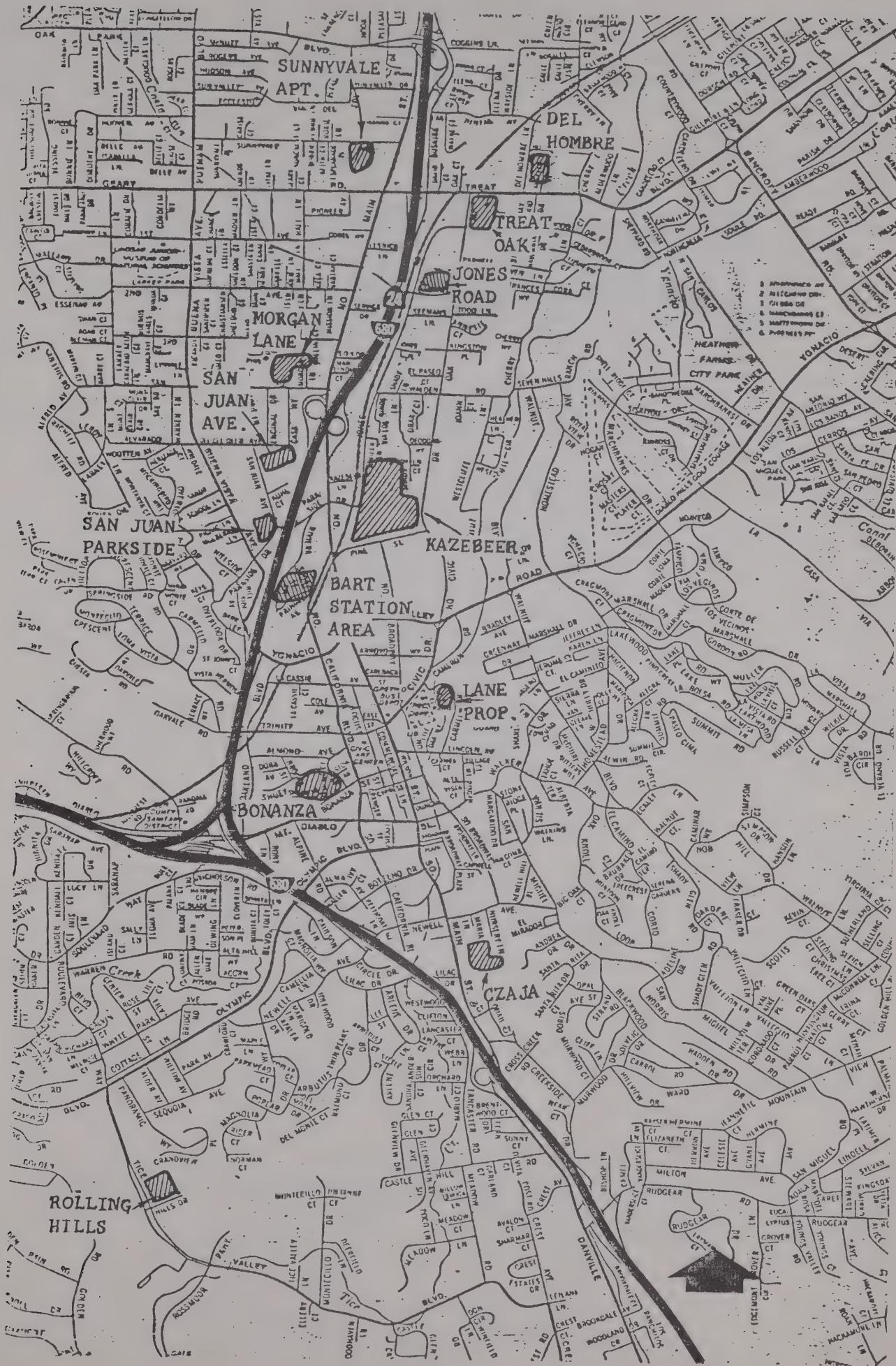
## Implementation

- a. Develop criteria for including consideration of housing cost in recommendations and decisions regarding General Plan and zoning changes.
- 
3. TO FACILITATE DEVELOPMENT OF NEW LOW- AND MODERATE-INCOME HOUSING, THE CITY WILL ACTIVELY ASSIST DEVELOPERS/SPONSORS WHO WISH TO PROVIDE SUCH HOUSING.

## Implementation

- a. Assist developers/sponsors in site selection, utilizing priorities and rankings of sites for low- and moderate-income housing.
- b. Assist developers/sponsors in utilizing existing federal and state programs for constructing lower cost housing.
- c. In the case of developments that provide low- and moderate-income housing, the City will give first priority to processing of applications in order to address the problem of time delays and the increased costs that they entail.

PRIORITY SITES FOR  
LOW- AND MODERATE-INCOME HOUSING



4. TO PROVIDE INCENTIVES FOR THE CONSTRUCTION OF LOW- AND MODERATE-INCOME SENIOR CITIZEN AND HANDICAPPED HOUSING, THE CITY MAY GRANT BONUSES TO DEVELOPERS WHO INCLUDE LOWER COST SENIOR AND HANDICAPPED UNITS AS PART OF THEIR PROJECTS.

Implementation

- a. Adopt density bonus provisions for senior citizen and handicapped low- and moderate-income multi-family development which could contain the following provisions:
  1. Bonuses should be set at a level to allow for economically feasible development. Extra density over the maximum allowable should be considered when low- and moderate-income units are provided.
  2. Regulation of rent levels may be insured by:
    - a) requiring the developer to participate in the Section 8 Program; or
    - b) entering into a contract with the City.
  3. Consideration should also be given to other alternative incentives or bonuses such as height, parking, and development standards.

5. TO ENCOURAGE HOUSING IN THE CORE AREA, THE CITY WILL PROVIDE INCENTIVES FOR A MIX OF RESIDENTIAL AND COMMERCIAL DEVELOPMENT IN ELECTIVE USE AREAS. A SIGNIFICANT NUMBER OF THE HOUSING UNITS SHOULD BE RENTALS.

Implementation

- a. Develop elective use area zoning to provide incentives for housing. Incentives could include limiting height to less than maximum unless housing is provided; allowing only minimum density unless housing is provided; allowing increases (bonuses) over the maximum density if low- and moderate-income housing is provided.
  - b. Develop specific plans for elective use areas, as called for in the General Plan, to include housing.
  - c. Investigate other locations in the Core Area where residential-commercial mix might be feasible.
6. TO LOWER THE COST OF DEVELOPMENT FOR LOW- AND MODERATE-INCOME SENIOR CITIZEN AND HANDICAPPED HOUSING, THE CITY MAY COMMIT FINANCIAL RESOURCES WHEN FEASIBLE TO "WRITE DOWN" THE COST OF LAND.

#### Implementation

- a. Consider allocating Community Development Block Grant funds to acquire property and "write down" its cost for the development of senior citizen housing.
  - b. If necessary, place the issue of lower-cost housing on the ballot in order to comply with Article 34 of the State Constitution.
7. TO PROVIDE NEW SITES FOR LOW- AND MODERATE-INCOME HOUSING, THE CITY MAY USE THE REDEVELOPMENT PROCESS, WHEN FEASIBLE, TO ASSEMBLE PARCELS INTO DEVELOPABLE SITES, TO "WRITE DOWN" THE COST OF LAND WITH TAX INCREMENT FUNDS, AND TO ASSIST IN THE DEVELOPMENT OF LOW- AND MODERATE-INCOME HOUSING.

#### Implementation

- a. Review the feasibility of redeveloping the Bonanza Street and other areas, including assembling parcels for low- and moderate-income housing. Explore the use of tax-increment funds to "write-down" the cost of the land.
  - b. Explore other possible redevelopment projects which could include lower- and moderate-income housing.
8. TO MAKE FULL USE OF THE EXISTING STOCK FOR LOW- AND MODERATE-INCOME HOUSING, THE CITY WILL ENCOURAGE PARTICIPATION IN SECTION 8 OF THE 1974 HOUSING AND COMMUNITY DEVELOPMENT ACT AND/OR ANY OTHER LEASE SUBSIDY PROGRAM.

#### Implementation

- a. Provide apartment owners and managers with information on the Section 8 program.
  - b. Work with the Contra Costa County Housing Authority to make full use of the Section 8 Program in Walnut Creek.
  - c. Consider using Community Development Block Grant funds to support organizations such as the Housing Alliance of Contra Costa County and other groups engaged in providing information and counseling on the Section 8 Program.
9. TO ALLEVIATE PROBLEMS ARISING FROM THE CONVERSION OF EXISTING RENTAL UNITS, THE CITY MAY REGULATE CONDOMINIUM CONVERSION.

#### Implementation

- a. Consider amendments to the existing ordinance regulating condominium conversions, especially with regard to the problems of existing tenants and defining the extent to which conversions will be permitted in Walnut Creek.

10. TO PREVENT THE LOSS OF EXISTING LOWER-COST HOUSING, THE CITY WILL UNDERTAKE HOUSING CONSERVATION EFFORTS. (SEE CHAPTER IV)
  
11. TO PROVIDE LOW- AND MODERATE-INCOME HOUSING FOR THE CITIZENS OF THE WALNUT CREEK COMMUNITY, THE CITY WILL COOPERATE WITH OTHER REGIONAL, STATE, AND FEDERAL AGENCIES TO FULLY UTILIZE ALL AVAILABLE PROGRAMS.

Implementation

- a. Prepare an Annual Housing Assistance Plan (HAP), as required by the Community Development Block Grant Program, to establish specific goals for constructing new assisted housing, subsidizing existing rental housing, and providing rehabilitation assistance. Also required is a documentation of the housing assistance needs of low- and moderate-income households, including elderly, handicapped, minority, and female-headed households.
  
- b. Work with ABAG to incorporate Walnut Creek's goals into the region's Fair Share Allocation Plan.
  
- c. Work with the County Housing Authority to implement the Section 8 Existing Program.
  
- d. Work with HUD to encourage funding of Section 8 new construction units in Walnut Creek.

IV

# HOUSING CONSERVATION



# Needs and Constraints

## 1. Why Housing Conservation

Until recently, most local communities, including Walnut Creek, expressed their concern for housing by regulating new development. City involvement was focused on determining locations, densities, design, and standards for new housing. With much vacant land and favorable economic conditions, cities like Walnut Creek grew rapidly and provided large new additions to the housing stock.

In the middle 1960's and early 70's, market conditions were such that an estimated 50% of this country's families could purchase a new home. Housing experts theorized that as new houses were built and occupied, other older, yet decent, homes would become available for lower-income families. This "trickle-down" effect would serve to supply all segments of the housing market.

However, the massive slowdown in new construction induced by the economic recession of the last few years has greatly changed the housing picture. Prices have risen drastically due to inflation, higher labor and material costs, and increased rates for mortgages and financing. The American dream of owning one's own home is no longer possible for the majority of households.

The effect of these forces has been felt on housing in Walnut Creek as described in Chapter III. Housing prices are increasing and the amount of vacant land is diminishing. At the same time, the existing stock in the City is getting older. Approximately 20% of the housing units in Walnut Creek are more than 15 years old and will begin to develop needs for repair. Over 65% of these units are concentrated in the North Walnut Creek and Downtown areas.

These conditions are leading to a redefinition of the role of local government in housing. If new housing construction cannot keep up with the demand for decent housing for all people, the emphasis will need to shift to conservation of existing homes. In Walnut Creek, the housing stock is the City's largest and most important resource, worth more than all other physical facilities combined. The City cannot afford to let this resource decline.

This new role in housing for local governments is being given widespread recognition. The League of California Cities' Housing Policy Statement urges that "the primary local housing function should be leadership in the administration of housing conservation programs". The State Legislature has established several financing mechanisms for use by local governments in undertaking conservation programs. Other cities are developing comprehensive housing conservation programs, including Concord, Antioch, El Cerrito, Pleasant Hill, Pinole, Richmond, and San Pablo in Contra Costa County alone.

Perhaps the biggest support for local housing conservation efforts is the Community Development Block Grant program. Provided for in Title I of the Housing and Community Development Act of 1974 (HCDA), the primary objective

of the program is "the development of viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income". HCDA replaced many of the existing Federal housing programs and its emphasis is to encourage housing conservation and rehabilitation programs. By providing funds to local governments, it is now possible for a city like Walnut Creek to begin to develop its own housing conservation strategy.

## 2. Housing Conditions in Walnut Creek

Overall, Walnut Creek's housing is relatively new, of high quality, and located in neighborhoods with an excellent reputation. The excellent quality of its neighborhoods is, in fact, one of the strongest points in favor of continued housing quality in Walnut Creek. Schools are good, the crime rate is low, the park system is excellent, and facilities are generally up-to-date.

However, problems are beginning to develop in some of the older areas of Walnut Creek. The age of housing and the condition of individual units can be used as indicators of potential problem areas.

### a. Age of Housing

Although Walnut Creek's housing is relatively new, over 4000 (20%) of the units are now 15 or more years old. This is the age when structures begin to develop problems which can lead to serious deterioration, if not corrected. 1,528 units are over 25 years old and are likely to have more serious problems.

The older units tend to be concentrated in the North Walnut Creek and Downtown areas, as these were first parts of Walnut Creek to be developed. Together these areas contain nearly 80% of the housing units over 25 years old. (Figure IV-1)

### b. Condition of Housing

The 1975 Special Census surveyed housing conditions and found a total of 238 units in Walnut Creek that were classified as "deteriorating" or "dilapidated". Nearly 90% of these units were in the North Walnut Creek or Downtown areas.

However, the number of units with structural problems may be far higher. A windshield survey was conducted by staff in the North Walnut Creek area to identify single-family houses that appeared to need some type of repair. A total of 319 single family homes - nearly 20% of those surveyed - were found to have exterior problems.\* (Figure IV-2).

The most frequently found problem involved defects in roofs. Nearly two-thirds of these were minor problems that could become serious if not repaired soon. Exterior painting and weatherproofing constituted the second most frequent problem. Painting needs, while not necessarily serious or expensive, can have a greater impact on a neighborhood because they are the most visible.

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\* Windshield surveys are limited to what can be seen from the outside of a dwelling. Therefore, such problems as electrical or plumbing defects were not assessed.

FIGURE IV-1  
AGE OF HOUSING  
PERCENTAGE OF TOTAL UNITS IN THE CITY OVER 25 YEARS OLD



Source: 1970 Census, updated to 1975.

FIGURE IV-2  
 NORTH WALNUT CREEK\*  
 SINGLE FAMILY HOUSING CONDITION SURVEY

<u>Type of Problems</u>	<u>No. of Problems Found</u>			<u>Frequency</u>
	<u>Major</u>	<u>Minor</u>	<u>Total</u>	
Foundation	2	15	17	5%
Roof	58	102	160	42%
Walls	10	24	34	9%
Porch	5	8	13	3%
Paint	47	87	134	36%
Maintenance	<u>16</u>	<u>5</u>	<u>21</u>	6%
	138	241	379	

Total single family homes surveyed: 1632  
 Structures with problems: 317 (19.4%)  
 Structures with more than one problem: 62

\* Incorporated areas only.

Source: Staff survey, January 1977

# Alternative Housing Conservation Programs

To be most effective, a Housing Conservation Program should be a comprehensive effort involving education, code enforcement, and financial assistance. In this way, homeowners can be informed regarding preventive measures to protect against deterioration, code inspections can identify problem situations, and assistance is available to help families with financial hardship.

A Conservation Program also works best when it is focused on a defined area. Home improvements are most visible when they are concentrated and they often serve as incentives to neighboring property owners to improve their dwellings as well. A successful Conservation Program will also attempt to involve the entire neighborhood-homeowner groups, local organizations, and financial institutions - to stimulate interest in upgrading and maintaining the area.

As housing conservation becomes more widely accepted as a proper and necessary role for local governments, more types of programs will be developed to conserve and maintain a city's housing stock. Some of the types of programs available to cities are described below.

## 1. Code Enforcement Programs

### a. Complaint-Response Code Enforcement

The concept of complaint response is used by most cities, including Walnut Creek. The city simply inspects homes in a random fashion based upon complaints or reports from neighbors or tenants. Sometimes, but not often, individual inspectors may learn of potential violations in existing housing during casual neighborhood visits or during the required inspection of new additions or modifications to an existing unit prior to the issuance of a building permit or occupancy permit.

### b. Concentrated Code Enforcement Activities (unassisted)

A second traditional housing conservation program concept is concentrated and systematic code enforcement without loan or grant assistance. Unlike complaint-response, the concentrated approach focuses on specific neighborhoods, perhaps those just beginning to age and containing signs of decline that may be invisible to untrained eyes. In these areas, a more intense level of code enforcement is provided through house-by house code inspections, and compliance action. Since decline is minimal, the cost of compliance will also be minimal and owner-protest limited.

Few cities in the nation or in California have implemented such programs, partly out of fear of protest, partly because of the lack of any felt need for neighborhood improvement. Walnut Creek is thus somewhat unique in undertaking a Code Enforcement Program in multifamily areas, funded with Second Year Block Grant funds. Apartment units in concentrated neighborhoods will be inspected but no financial assistance to owners will be provided.

c. City-Wide Pre-Sale Inspections

Pre-Sale Code Enforcement programs require that prior to sale or rental of single or multi-family housing units, a city housing inspection must be completed and the housing unit be brought up to Housing Code standards. The main purpose of such programs is to insure continued maintenance of a city's housing stock.

There are important advantages to the pre-sale code enforcement approach. Pre-sale inspections require repair at the time of transfer of ownership, when financing for the needed repairs is more likely to be available. Also, because pre-sale ordinances are city-wide in scope, they are more equitable than area-based, concentrated code enforcement programs. No one owner or area is singled out for special treatment or exemptions.

However, there are also some drawbacks to mandatory presale inspections. Inspections of newer homes will likely reveal few problems and could be a needless expense. This type of ordinance is also hard on those who own units when the law is first passed, since it may be assumed that the cost of repairing a unit the first time it is inspected would be higher than the long-term average.

d. Voluntary Home Surveys

As an alternative, some cities operate voluntary inspection programs or "home surveys" providing a free-of-charge code inspection upon request of owner or buyer. This approach tends to result in smaller usage since owner-sellers are often hesitant to risk an inspection. If the purpose of the program is to encourage maintenance and repair, however, a voluntary program can be instituted with the city providing the service free-of-charge.

One additional aspect of inspection programs, both mandatory and voluntary, is that when the city makes an inspection, it must, by law, take action against any major structural, health, or safety violations that are found. There are, however, some alternatives in how this enforcement is carried out. One way is to change code enforcement from a punitive police function to a service function - to change building inspectors to "housing advisors" charged with helping people bring their houses up to code and with giving technical advice. Compliance periods can be extended from the currently required 30 days to periods of six months or one year. This alternative may help make code enforcement a more popular and feasible idea.

e. Multiple-Rental Dwellings

All of the above options can apply to multifamily rental dwellings as well as single-family homes. One additional option for multifamily dwellings would be to require inspection as a condition of business licensing. This would affect only structures of five units or more. It would eliminate a financial burden on many small apartment owners, focusing instead on owners of larger structures. It would not, however, address the problem of owners of one- and two-family rental units who do not maintain their dwellings.

**f. Disclosure of Conditions ("Truth-in-Sale-of-Housing")**

At least seven cities in California have ordinances requiring that certain information be revealed to buyers of homes before purchase. The purpose of such ordinances is to protect buyers from problems which, if known, would have discouraged them from buying or changed the terms under which they would have purchased. Disclosure ordinances require that the seller reveal to the buyer such information as zoning of the property, property tax for the previous year, assessment bonds, outstanding code violations, and structural additions or alterations for which permits were obtained.

At least two bills are being considered by the State Legislature in the 1977 session which would require Disclosure of Conditions on a statewide basis. This type of ordinance has received wide support from many groups, including the California Association of Realtors.

**2. Rehabilitation Assistance Programs**

Rehabilitation assistance programs provide financial incentives to homeowners to maintain their dwellings and make needed repairs. Such programs can stimulate the private market to make repairs that have been postponed because of lack of funds, fear of tax increases, or other reasons. They also provide financial assistance to homeowners who could not otherwise afford to maintain their dwellings.

At the same time, assistance programs can reduce the negative effects of code enforcement. By providing some form of financial help to owners, the hardship incurred by being required to make repairs is lessened, especially on those at the lowest end of the income scale.

Currently, funds for rehabilitation assistance programs are available from several sources. The Community Development Block Grant funds are specifically intended to provide for housing conservation programs. Two state sources are also available. The California Housing Finance Agency has funds for loans and the Marks-Foran Residential Rehabilitation Act of 1973 allows cities to sell revenue bonds for rehabilitation loans.

Rehabilitation assistance programs can take several forms:

**a. Direct Grants**

Direct grant programs are generally used only for the lowest income groups who cannot afford to make needed repairs on their dwellings. This is a complete subsidy program and there is no payback of funds.

**b. Loan Programs**

Most loan programs operate by using public funds to subsidize the market interest rate on home repair loans, reducing the interest rate to 0-8%. Loans have the advantage of being "revolving": as the funds are paid back, new loans can be made. The main drawback to loan programs is that they are complex to administer, involving credit checks, title searches, loan servicing, default procedures, etc. Most programs work with local financial institutions to carry out these functions. However, the city usually must get involved with architectural consultation, drawing up specifications for the necessary work, helping solicit bids and hiring contractors, as well as inspecting the work.

c. Rebate Programs

Rebate programs provide homeowners with some "money back" on repairs which are made to their dwellings. The program is simple and easy to administer: after a homeowner has made repairs to his/her dwelling, a percentage of the cost is rebated upon presentation of a receipt and verification that work has been completed. Rebate programs are usually offered in concentrated areas for only a limited amount of time. Maximum amounts for the rebates (usually \$200-\$500) are usually established.

A rebate program has the advantage of "leveraging" funds - using public monies to generate private investment of an even greater amount. For example, a 20% rebate would generate 5 times the amount spent in home improvements. The major drawback of rebate programs is that they don't "revolve" as no funds are paid back.

Rebate programs can have two major purposes:

1. To provide incentives to upgrade a neighborhood.
2. To provide financial assistance to lower-income property owners.

If the focus is primarily to provide incentives, then all property owners - regardless of their income or whether they occupy their dwellings (absentee owners) - should be eligible. This simplifies administration of the program and may stimulate absentee owners (who are the hardest to involve) to make repairs. On the other hand, if the primary focus is financial assistance, the program can be limited to resident owners. In this way, the absentee owner whose concern is primarily a business venture, is not included in the program.

3. Housing Appeals Board

An appeals mechanism is needed to give flexibility to the code enforcement process and to minimize hardships on owners and tenants. In the course of a code enforcement program, inspectors sometimes find instances of technical violations which do not affect the health or safety of the occupants. However, a question then arises as to how far the condition may depart from the legal standard without warranting citation. An appeals board can perform a useful service and promote equity in enforcement by dealing with such "gray areas".

Another function of an appeals board would be to permit deferring the repair of nonhazardous deficiencies in hardship cases. This is especially important for low-income elderly owners who lack the means to return their homes to code standards. By deferment of such abatements, the owner retains the shelter and by recording the action, the City is assured of correction at such time as the property changes ownership.

An Appeals Board would only need to meet when cases come before it, rather than on a regular schedule. The need for an Appeals Board will increase as the City undertakes more extensive code enforcement activities.

#### 4. Education in Home Maintenance

Housing conservation efforts need to be complemented by an educational program in order to increase the capacity of homeowners to maintain their own dwellings. Many homeowners are not well informed regarding preventive home maintenance measures that keep a dwelling in good repair and protect against deterioration. Education in home maintenance is therefore a critical aspect of any Housing Conservation Program.

A housing maintenance education program could include how to make simple household repairs; instructions on the correct operation of equipment; proper maintenance and servicing of equipment and structures; housekeeping practices to discourage insect and rodent infestation and to avoid hazards; and management practices to encourage care of the property. Some of the methods for conveying this information would include the use of pamphlets and handbooks, lectures and demonstrations in coordination with educational institutions, tool loans, and volunteers willing to assist with home repair problems.

# Housing Conservation

## Objectives

1. To develop comprehensive efforts for conserving Walnut Creek's housing stock.
2. To encourage measures to maintain Walnut Creek's housing stock in its generally good condition, thereby preventing deterioration in the future.
3. To provide safe apartment units for the City's renters.

# Policies and Implementation Programs

1. TO MAXIMIZE ITS HOUSING CONSERVATION EFFORTS, THE CITY WILL DESIGNATE HOUSING CONSERVATION AREAS WHERE EFFORTS WILL BE CONCENTRATED TO MAINTAIN NEIGHBORHOODS AND PREVENT DECLINE.

## Implementation

- a. Designate Housing Conservation Areas as follows:

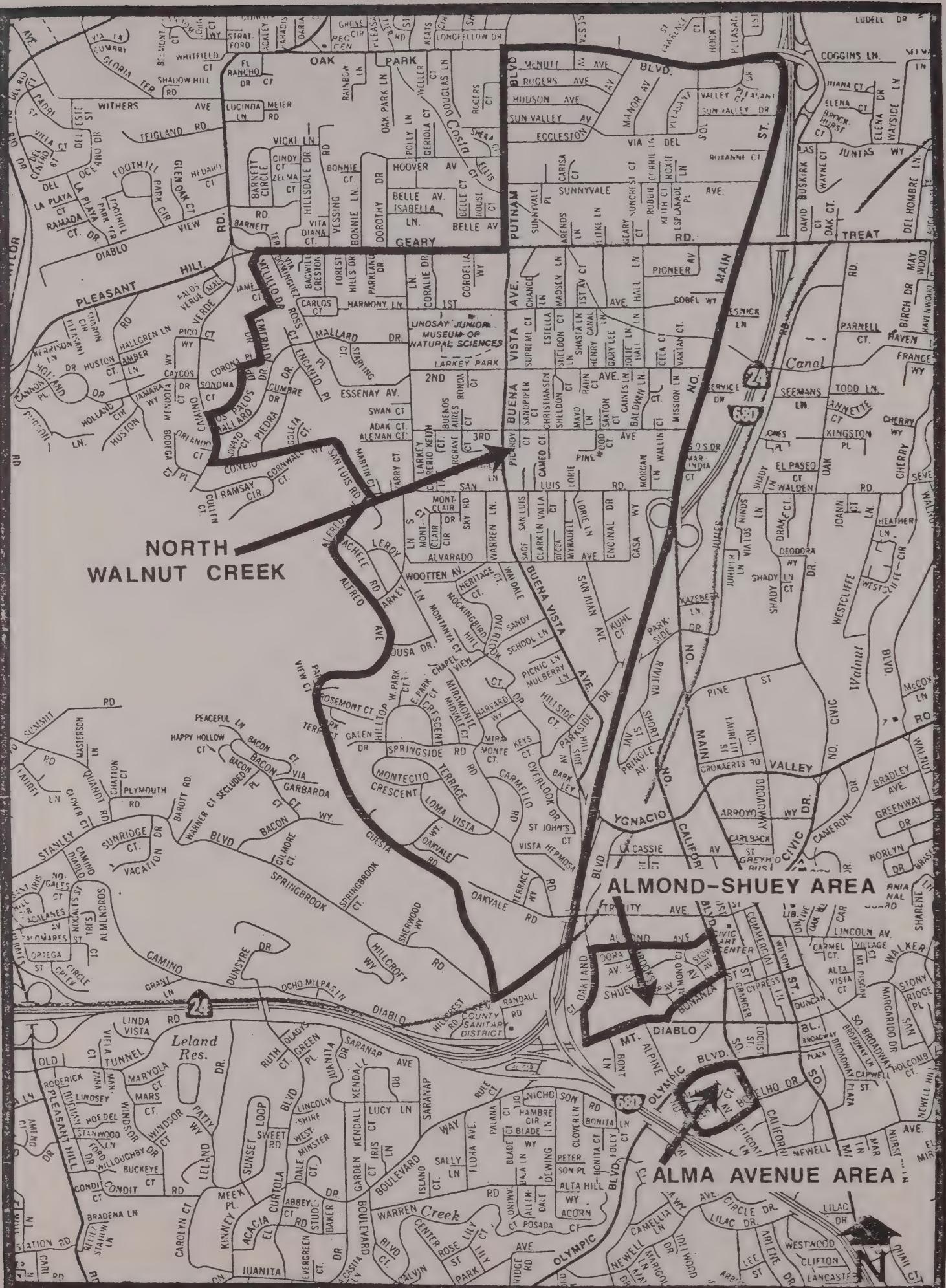
1. North Walnut Creek Area
  2. Almond-Shuey Area
  3. Alma Avenue Area
- b. To coordinate the planning and funding of public improvements with conservation efforts, the City will consider the needs of the housing conservation areas when allocating City capital improvement funds. Community Development Block Grant funds and other funds for local improvements.

2. TO PROMOTE HOME MAINTENANCE, REHABILITATE DETERIORATING DWELLINGS, AND TO CONSERVE THE CITY'S HOUSING STOCK, THE CITY WILL UNDERTAKE HOUSING CONSERVATION EFFORTS.

## Implementation

- a. Undertake a pilot study to explore ways for the public and private sectors to conserve the City's housing stock. First priority should be directed toward the City serving as a catalyst to involve the private sector in housing conservation. The pilot study should also explore the need for and feasibility of programs in home maintenance education, housing counseling, low-interest rehabilitation loans, and rebates.
- b. After the pilot study is completed, consider further efforts in housing conservation, which could include, but is not limited to, the following:
  1. Home maintenance information and education to provide homeowners with technical assistance on home repairs and financing.
  2. Low-interest rehabilitation loans in concentrated Housing Conservation Areas to assist low- and moderate-income households to repair their dwellings. Community Development Block Grant funds could be used to finance such a program.
  3. Rebates to property owners in concentrated housing conservation areas who repair their dwellings. Community Development Block Grant funds could be used to finance such a program.

FIGURE IV-3



3. TO MAINTAIN SAFE APARTMENT DWELLINGS, THE CITY WILL CONTINUE TO SUPPORT CONCENTRATED CODE ENFORCEMENT IN MULTIFAMILY STRUCTURES.

Implementation

- a. Follow-up the Code Enforcement Program undertaken during the Second Year Block Grant Program with periodic inspections. If additional apartment areas develop problems, as evidenced through tenant complaints or other sources, carry out a concentrated enforcement program in that area.
- b. Develop an ordinance to require all multifamily structures of five or more units to be inspected every third year as a condition of obtaining a City business license.



V

# ACCESSIBILITY OF HOUSING



# Needs and Constraints

Once adequate housing is provided, an issue still remains concerning whether that housing is accessible to Walnut Creek residents and new homeseekers coming to the City. Most of the problems concerning accessibility of housing involve two general areas: discrimination in rental or sale of housing and conflicts between landlords and tenants.

## 1. Discrimination

Federal and State laws prohibit landlords from discriminating against homeseekers for reasons of race, religion, national origin, ancestry, color, sex, or marital status. However, such discrimination still exists to some degree although in less overt forms than in the past. Unfortunately, it is extremely difficult to get an accurate assessment of the severity of the problem. Other agencies in the area which handle complaints regarding discrimination indicate that they do get a fair number of calls from Walnut Creek.

Another type of discrimination that occurs in this regard to families with children. This type of discrimination is not against the law, but it does present a problem in Walnut Creek apartments. In a survey of apartments completed in March 1977, nearly 60% of the rental units responding do not allow any children. An additional 25% only permit children of certain ages (under 2 or over 16), while 17% allow children of all ages (Figure V-1). This prohibition against children, combined with the City's low vacancy rate of 2% in rental apartments, makes it extremely difficult for families with children to find rental units in Walnut Creek.

## 2. Landlord-Tenant Conflicts

Problems between landlords and tenants also do not receive much public attention. Like discrimination, the severity of the problem is difficult to document because many persons who have such conflicts do not come to the attention of public agencies. However, the Senior Citizens' Hospitality House and other groups which handle such issues report that they regularly receive calls from Walnut Creek residents and landlords who have problems. The majority of the problems concern the following areas:

1. Difficulty of landlord in evicting tenants for non-payment of rent, destruction of property and violations of lease agreements;
2. Inability of tenant to reclaim cleaning and security deposits;
3. Claims by tenants concerning "unreasonable" rent increases;
4. Failure of landlords to maintain and repair unit;
5. Other conflicts including noise, unreasonable entry, pets, etc.

Currently, in Walnut Creek there are two basic methods to resolve tenant-landlord disputes: 1) voluntary compromise; and 2) legal proceedings. Voluntary compromise between conflicting parties probably resolves a number of disputes before they become a statistic for the county, the police, courts or the sheriff's office.

However, for those disputes that cannot be worked out voluntarily, there is no alternative for landlords or tenants short of the judicial system. Cases can go to small claims court or Municipal Court, depending on the type of action and amount of damages involved. The process can be complex and sometimes costly for both the landlord and the tenant. It should also be noted that the costs incurred by the general public from having to pay for the many tenant/landlord cases that jam the Municipal Court docket can also be quite high.

FIGURE V-1

CHILDREN IN APARTMENTS  
MARCH 1977

	No. of Apt. Bldgs. Surveyed	No. of Units Surveyed	% of Total Units Surveyed
All Ages Allowed	15	426	17.0%
Infants Only (Under 2)	8	294	11.7%
Teenage Only (Over 16)	8	328	13.1%
None Allowed	<u>22</u>	<u>1,460</u>	<u>58.2%</u>
Totals	53	2,508	100.0%

Source: Community Development Department Survey, March 1977. Surveys were sent to 140 apartment buildings of 5 or more units. The response from 2,508 units represents over 30% of all rental units in Walnut Creek (including single-family homes for rent and buildings of 4 or less units).

# Alternative Ways to Promote Accessibility of Housing

## 1. Control of Discrimination Against Families with Children

On a local level, discrimination against families with children can be controlled by passing an ordinance making it unlawful. Two other cities in the Bay Area, San Francisco and Berkeley, have recently enacted such ordinances. The ordinances prohibit discrimination against families with minor children in the rental or leasing of residential property. Violations are punishable by up to \$500 in fines. Exceptions can be made for buildings where there is an explicitly established policy of renting exclusively to senior citizens. Such an ordinance could apply to all rentals, including single-family homes for rent, or only buildings with five or more rental units.

## 2. Assistance to Landlords and Tenants

Assistance can be given to landlords and tenants by providing information and referral services or mediation services. Most tenants and landlords are not familiar with their rights or the mechanisms for resolving conflicts. In these cases, provision of information and referral to appropriate agencies or sources can be most helpful. In other cases, the parties often desire outside "arbitration" short of going to court. Mediation boards or individual mediators have been successful in resolving such disputes when the parties involved are willing to participate.

The City can take one of several roles in this area. It can develop its own services, such as landlord-tenant counseling, information and referral, or a mediation board. The City of Concord, for example, has a Consumer Hotline and regularly provides information and referral services. This would require additional duties and training for City staff.

A second alternative is for the City to support other local groups, such as the Housing Alliance of Contra Costa County (HACCC), which are already engaged in providing such services. The major advantage to this approach is that one agency could handle the problems of a wide area, avoiding duplication of services by City staffs. Walnut Creek has already allocated \$3,000 in Third Year Block Grant Funds to HACCC.

A third alternative is for the City to stay uninvolves in this area and let private agencies develop services unassisted by City funds.

# **Accessibility of Housing**

## **Objectives**

1. To work toward eliminating discrimination in housing in Walnut Creek where it exists.
2. To assist in resolving conflicts between landlords and tenants.

# Policies and Implementation Programs

1. TO ASSURE EQUAL OPPORTUNITY IN HOUSING TO ALL GROUPS, THE CITY WILL SUPPORT EFFORTS TO ELIMINATE DISCRIMINATION IN HOUSING WITH REGARD TO RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, AGE, OR FAMILY STATUS.

## Implementation

- a. Study further the problem of discrimination against families with children. Explore alternatives to protect families asked to move, to increase options for families, and to encourage family projects.
  - b. Investigate further into the problem of discrimination in housing in Walnut Creek; and, if necessary and appropriate, consider providing support to local groups that handle complaints of discrimination. Financial assistance could come from Community Development Block Grant funds or other sources.
- 
2. TO MAINTAIN AND EXPAND HOUSING OPPORTUNITIES, THE CITY WILL SUPPORT RESOLUTION OF PROBLEMS AND CONFLICTS BETWEEN LANDLORDS AND TENANTS.

## Implementation

- a. Consider providing support to local groups that are assisting tenants and landlords with problems. Financial assistance could come from Community Development Block Grant funds or other sources.
- b. If the need arises, consider additional City involvement in the area of landlord-tenant relations, including such possibilities as an information and referral service, a landlord/tenant mediation board, etc.



## VI

# CARRYING OUT THE HOUSING PROGRAM



# Funding for the Housing Program

The policies and implementation measures developed in this Housing Element constitute the basis of a Housing Program for Walnut Creek. Unlike other parts of the General Plan which can be carried out by enacting ordinances and policies, many aspects of the Housing Program will also require local state and federal funds for its implementation.

## 1. Funding Sources

A major source of funding for the Housing Program will be Block Grant funds from the Housing and Community Development Act (HCDA) 1974. Walnut Creek has received Block Grant funds since 1975 as part of Contra Costa County's entitlement. These funds must be used to give "maximum feasible priority" to activities which:

1. Benefit low and moderate income families (families with incomes less than \$12,000 per year).
2. Help prevent slums and blight.

The emphasis and intent of the HCDA is to focus on housing activities, especially rehabilitation and conservation programs.

Since the Block Grant program began, Walnut Creek has received nearly a half million dollars in federal funds:

1975-76 (1st Year)	\$ 68,000
1976-77 (2nd Year)	150,500
1977-78 (3rd Year)	<u>258,500</u>
	\$477,000

While Federal allocation formulae may change at any time, it is projected that Walnut Creek will receive approximately \$263,500 in the Fourth Year (1978-79) with similar amounts in the Fifth and Sixth Years of the Program. As approximately \$130,000 of the Fourth Year funds are already committed, a potential \$120,000 in 1978-79 and \$258,500 in 1979-80 and 1980-81--a total of \$647,000--is available to fund the Housing Program to 1980.\*

Other potential funding sources include new State programs for rehabilitation and new construction of lower cost housing. The California Housing Finance Agency has funds for loans and new construction and the Marks-Foran Residential Rehabilitation Act of 1973 allows cities to sell revenue bonds for rehabilitation loans.

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\*The HCDA expires after 6 years. At that time, the program could be renewed or a new type of program enacted. At this point, it is difficult to predict what will occur, but federal funds for housing in some form most likely will be available.

Walnut Creek can also commit City General Funds to many aspects of the Housing Program. In addition, tax increment funds from a redevelopment project could also be used in the redevelopment project area.

## 2. Estimates of Program Costs

Several projects have been suggested in the Housing Element which would require a commitment of funds if they are to be carried out. Estimates of these costs are as follows:

Potential Projects	Estimated Cost	Possible Source of Funds
1. "Write-down" of land for low and moderate income housing	\$100,000-\$500,000 (some portion could be returned to the City)	CDBG, TI
2. Support landlord-tenant counseling	\$3,000-\$5,000 per year	CDBG
3. Housing Maintenance Education Program	\$3,000 -\$10,000 per year	CDBG
4. Rebate Program (pilot program)	\$10,000 per year	
5. Rehabilitation Loan Program	\$40,000-\$80,000 per year	CDBG, CHFA, M/F

CDBG = Community Development Block Grant Program

TI = Tax Increment Funds

CHFA = California Housing Finance Agency

M/F = Marks/Foran

# Evaluation of the Housing Program

## 1. Review and Update

The Objectives and Policy of this Housing Element are intended to define a medium-range statement of Walnut Creek's housing concerns. The specific aspects of the Housing Program are of a shorter-range nature and will need to be evaluated and updated more frequently. The State Guidelines for the Housing Element indicate that programs should be reviewed periodically and a printed update be completed every five years. It is therefore recommended that the Housing Program be evaluated biannually and a printed update be prepared every five years.

As a first step for evaluation of the Housing Program, a timetable of specific objectives should be prepared. This timetable should indicate target dates for undertaking and completing each component of the Housing Program. The biannual review can then report on the progress made for each activity in the Housing Program.

## 2. On-Going Citizen Participation

The Housing Program was developed by the Community Development Block Grant Committee, an eleven-member citizens group which worked for more than a year on the Housing Element. Representing different parts of the community, their work was invaluable in researching issues, considering alternatives, and making recommendations for policies and programs to the Planning Commission and City Council.

Many of the activities to implement the Housing Program will likely be funded through Community Development Block Grant funds. The Block Grant Committee has provided an important link between allocation of Block Grant funds and development of the Housing Element. A citizens group to review Block Grant proposals and make recommendations will continue to be needed as long as Block Grant funds are available.

As the Housing Program is implemented, citizen input will also be critical. Guidelines will need to be established for various aspects of the Housing Program and activities should be evaluated annually to determine their effectiveness. Also, State Guidelines require annual review and an update every five years.

It is therefore recommended that some type of citizens' group be given responsibility to carry out these activities - both Block Grant allocations and monitoring and evaluating the Housing Program.

HOUSING ELEMENT PARTICIPANTS

CITY COUNCIL

James Hazard, Mayor  
William Armstrong  
Richard Hildebrand  
Margaret Kovar  
Sanford Skaggs

PLANNING COMMISSION

Herbert Martin, Chairman  
Rudolph Cubicciotti  
Charlotte Flynn  
William Hartman  
Lee Maice  
Gail Murray  
Mark Noe

COMMUNITY DEVELOPMENT  
BLOCK GRANT COMMITTEE

Nancy DuBois, Chairman  
John H. Croker  
Bob Davis  
Charlotte Flynn  
Lee Maice  
Barbara McCormick  
Wallace Smith  
David Watson  
Rosella Whitaker

Fern Bodhaine	Appointed 2/1/77
Kay Lanway	Appointed 3/1/77
Frank Racioppo	Resigned 9/76

STAFF PARTICIPANTS

Janet Falk, Project Coordinator  
Harley Goldstrom, Associate Planner  
Gary Binger, Chief of Planning  
David Finigan, Community Development  
Director  
Thomas G. Dunne, City Manager  
Daniel Curtin, Jr., City Attorney  
Barbara Kautz, Previous Staff Member

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